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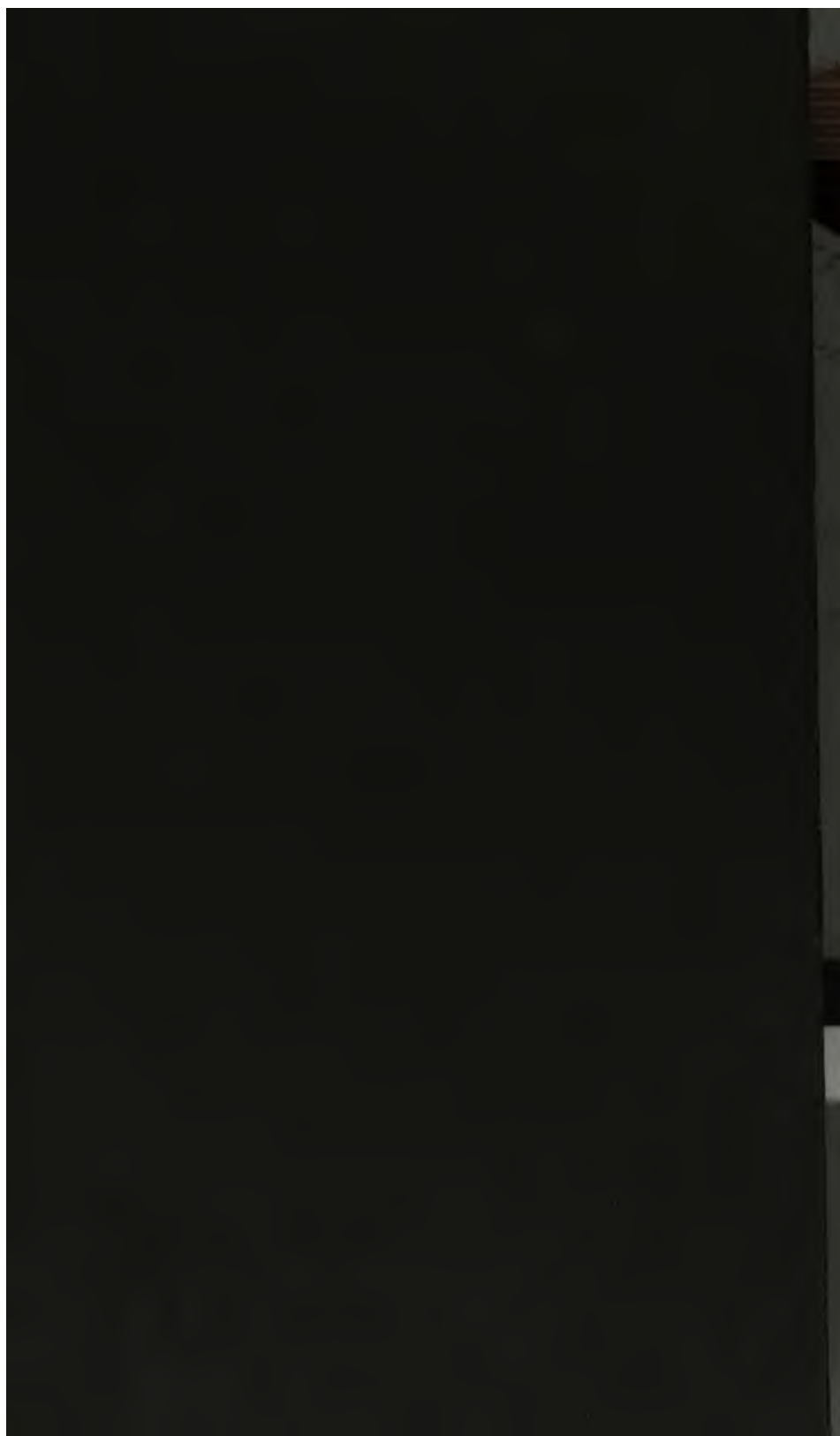
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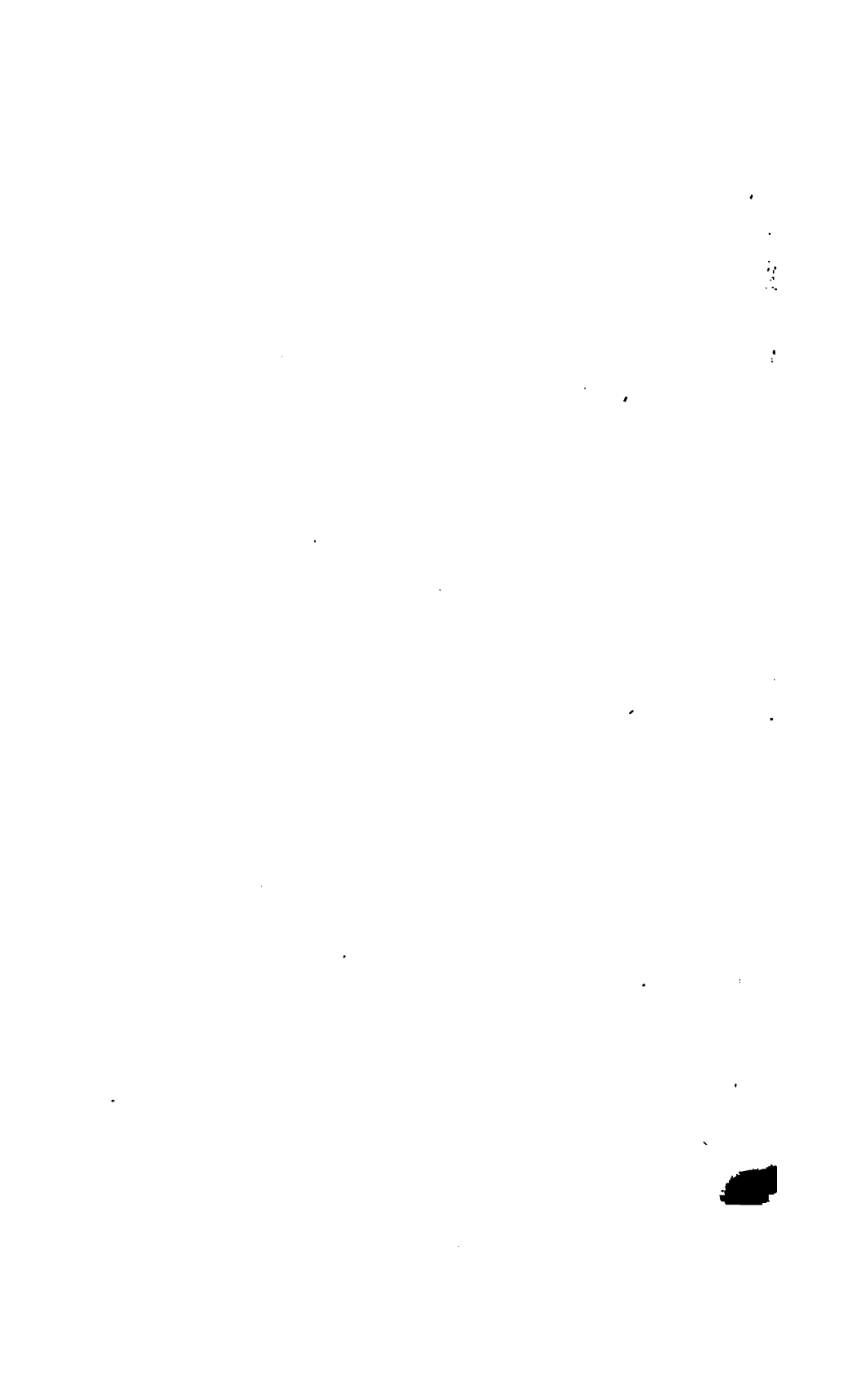














THE  
HISTORY  
OF THE  
PUBLIC REVENUE  
OF THE  
BRITISH EMPIRE.

VOL I.

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OF

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THE  
HISTORY  
OF THE  
PUBLIC REVENUE  
OF THE  
BRITISH EMPIRE.

CONTAINING

An Account of the public Income and Expenditure from the remotest Periods recorded in History, to Michaelmas 1802. With a Review of the Financial Administration of the Right Honorable William Pitt.

---

By Sir JOHN SINCLAIR, Baronet, M.P.

---

IL N'Y A RIEN QUE LA SAGESSE, ET LA PRUDENCE DOIVENT PLUS REGLE, QUE CETTE PORTION QU'ON ÔTE, ET CETTE PORTION QU'ON LAISSE AUX SUJETS.

L'ESPRIT DES LOIX, l. xiii. c. i.

THE THIRD EDITION.

VOL. I.

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1803.

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THE  
HISTORY  
OF THE  
PUBLIC REVENUE  
OF THE  
BRITISH EMPIRE.

BY  
JAMES MILL.

Author of the History of the British Nation, &c.  
The History of the Public Revenue of the British Empire.  
The History of the Public Revenue of the British Empire.  
The History of the Public Revenue of the British Empire.

## ADVERTISEMENT

TO THE

FIRST EDITION.

THIS Work was begun in the month of August 1784, soon after the conclusion of the then last Session of Parliament. When it was originally in contemplation, the Author had no conception of the immense difficulties attending it; and they have increased to such a degree, that he has found it impossible to pursue it farther at present. He has judged it expedient, however, to lay before the Public, the *First* and *Second* Parts of the Work; and, if the present publication should meet with a favourable reception, he proposes attempting a *Third* Part, containing—A History of the Progress of the National Income, together with some Observations on its present State—An Historical Account of the progress of our National Expences—Observations on the Resources of the



ADVERTISEMENT TO

Nation—An Analysis of our Public Debts, and an Inquiry into the real Nature and Amount of the Burden—A Plan for re-establishing the Public Credit and Finances of the Country; together with some Account of the Progress and present State of the Revenues of Scotland and Ireland.

It is impossible that a Work of this nature, which embraces such a number of objects, and includes such an extent and variety of matter, should be perfected at once. To complete it in a manner suited to the Author's ideas and wishes; to compose such a History of our Revenue, as may clear up many doubtful points, correct the mistakes of former historians upon the subject, and minutely ascertain the real state of the national income in every era of our history, would require

THE THIRD EDITION.

history, on an enlarged scale\*; and, on that account it may be hoped, will be received by the Public with the greater candour and indulgence.

WHITEHALL,  
February 25, 1785.

\* The celebrated Turgot, appreciated well the importance of a financial history. We are told in the memoirs published of his life and writings, " Il avoit chargé M. l'Abbe Roubaud, " *décrire l'Histoire des Finances, depuis le commencement de " de la Monarchie, et il comptoit lui assurer un traitement con- " venable, pour cet ouvrage important.*" *Memoires sur la vie, et les ouvrages de M. Turgot, 1 vol. 8vo. Imprimé en 1782. p. 188.*

[ vi ]

# ADVERTISEMENT

TO THE

SECOND EDITION.

---

FIVE years have now elapsed, since the following  
Work was originally sent to the press. During

## ADVERTISEMENT

TO THE

THIRD EDITION.

SINCE the Second Edition of this Work was printed, *anno* 1790, the attention of the Author has been almost exclusively directed, to the carrying on that extensive and laborious publication, intituled, " The Statistical Account " of Scotland," and all the various enquiries and pursuits resulting from the establishment of the Board of Agriculture, and other measures connected with the improvement of the country ; and though the History of the Revenue had been long out of print, the Author was led, from the hurry of other important avocations, to postpone, from time to time, the publication of another Edition, more especially as he expected that the war would have been sooner terminated, which would

ADVERTISEMENT TO

have enabled him to have given a view of the total expence of that war, and to have compared it with preceding ones. Finding, however, that there was no certainty when the war would be brought to a conclusion, he resolved to dedicate any leisure the business of Parliament would admit of, to republish that Work, in the course of the session which commenced in January 1801.

The first Volume, containing the History of the Revenue prior to the Revolution, and the origin of our public debt, is reprinted with little variation from the original publication. In the second Volume, however, very confi-

Work, and to print them distinctly. It has also occurred, that it would be proper to have a variety of public accounts, and a number of other papers, connected with the Revenue of the country, published at the same time. It is therefore proposed to add another Volume, in the course of the next session, in which all those different particulars will be contained.

It is also necessary to observe, that the Author has not yet been able, either to collect all the information he requires, to explain the present state of the Revenue of Scotland, nor to draw up, what he has long anxiously wished for, a short History of the Revenue of Ireland, which would complete the whole Plan of his original undertaking. But he proposes to set about these important enquiries, as soon as circumstances will admit of it, and to include both, in the third Volume, which remains to be published. In regard to Ireland, as he is likely to be favoured with the obliging assistance of several respectable Gentlemen, deeply conversant with the finances of that country, he is persuaded that the Chapters explaining the Irish Income and Expenditure, will not be the least interesting Part of the whole Publication.

On

ADVERTISEMENT.

On the whole, he has endeavoured, to make the Work as accurate and as complete as possible, and he hopes it will be the means of enabling persons, both in and out of Parliament, to be better acquainted with the finances of the country, than hitherto they have been, by which injudicious systems of taxation may be avoided, and public profusion may be checked: and above all, by which the celebrated advice of the learned Bodin, may stand a better chance of being carefully attended to, than it has been for some time past, "*Ca-  
vendum est, ne exhausto ærario, repentina  
calamitate Republica deferatur \**."

# TABLE

## OF THE

### SOVEREIGNS of ENGLAND,

From the CONQUEST.

#### Norman Line.

| Kings' Names.         | When their Reigns began. | Reigned |         |       |
|-----------------------|--------------------------|---------|---------|-------|
|                       |                          | Years.  | Months. | Days. |
| William the Conqueror | 1066 October 14.         | 20      | 10      | 26    |
| William Rufus         | - 1087 September 9.      | 12      | 10      | 24    |
| Henry I.              | - 1100 August 2.         | 35      | 4       | —     |
| Stephen               | - 1135 December 1.       | 18      | 10      | 24    |

#### The Saxon or Plantagenet Line.

|             |   |                   |    |   |    |
|-------------|---|-------------------|----|---|----|
| Henry II.   | - | 1154 October 25.  | 34 | 8 | 11 |
| Richard I.  | - | 1189 July 6.      | 9  | 9 | —  |
| John        | - | 1199 April 6.     | 7  | — | 12 |
| Henry III.  | - | 1216 October 19.  | 56 | 1 | —  |
| Edward I.   | - | 1272 November 16. | 34 | 7 | 21 |
| Edward II.  | - | 1307 July 7.      | 19 | 6 | 20 |
| Edward III. | - | 1327 January 27.  | 50 | 5 | 25 |
| Richard II. | - | 1377 June 21.     | 12 | 3 | 8  |

#### The Line of Lancaster.

|           |   |                    |    |   |    |
|-----------|---|--------------------|----|---|----|
| Henry IV. | - | 1399 September 29. | 13 | 5 | 21 |
| Henry V.  | - | 1413 March 20.     | 9  | 5 | 11 |
| Henry VI. | - | 1422 August 31.    | 38 | 6 | 4  |



*Table of the Sovereigns of England.*

**The Line of York.**

| Kings' Names. |   | When their Reigns began. | Reigned |         |       |
|---------------|---|--------------------------|---------|---------|-------|
|               |   |                          | Years.  | Months. | Days. |
| Edward IV.    | - | 1460 March 4.            | 22      | 1       | 5     |
| Edward V.     | - | 1483 April 9.            | —       | 2       | 13    |
| Edward III.   | - | 1483 June 22.            | 2       | 2       | —     |

**The House of Tudor.**

|                 |   |                   |    |   |    |
|-----------------|---|-------------------|----|---|----|
| Henry VII.      | - | 1485 August 22.   | 23 | 8 | —  |
| Henry VIII.     | - | 1509 April 22.    | 37 | 9 | 6  |
| Edward VI.      | - | 1547 January 28.  | 6  | 5 | 8  |
| Queen Mary      | - | 1553 July 6.      | 5  | 4 | 11 |
| Queen Elizabeth | - | 1558 November 17. | 44 | 4 | 7  |

**The House of Stuart.**

|            |   |                |    |    |   |
|------------|---|----------------|----|----|---|
| James I.   | - | 1602 March 24. | 22 | —  | 3 |
| Charles I. | - | 1625 March 27. | 22 | 10 | 3 |

A

**GENERAL VIEW**

OF THE

**PROGRESS of the PUBLIC REVENUE**

Since the CONQUEST.

---

|                       | Commencement of<br>each Reign. | Annual Income. |
|-----------------------|--------------------------------|----------------|
| William the Conqueror | <i>anno</i> 1066               | £. 400,000 0 0 |
| William Rufus         | - 1087                         | 350,000 0 0    |
| Henry I.              | - 1100                         | 300,000 0 0    |
| Stephen               | - 1135                         | 250,000 0 0    |
| Henry II.             | - 1154                         | 200,000 0 0    |
| Richard I.            | - 1189                         | 150,000 0 0    |
| John                  | - 1199                         | 100,000 0 0    |
| Henry III.            | - 1214                         | 80,000 0 0     |
| Edward I.             | - 1272                         | 150,000 0 0    |
| Edward II.            | - 1307                         | 100,000 0 0    |
| Edward III.           | - 1327                         | 154,139 17 5   |
| Richard II.           | - 1377                         | 130,000 0 0    |
| Henry IV.             | - 1399                         | 100,000 0 0    |
| Henry V.              | - 1413                         | 76,643 0 0     |
| Henry VI.             | - 1422                         | 64,976 0 0     |
| Edward IV.            | - 1460                         | 100,000 0 0    |
| Edward V.             | - 1483                         |                |
| Richard III.          | - 1483                         |                |

Henry VII.

|                             |   |   | Commencement<br>of each Reign. | Annual Income. |   |   |
|-----------------------------|---|---|--------------------------------|----------------|---|---|
| ry VII.                     | - | - | 1485                           | £. 400,000     | 0 | 0 |
| ry VIII.                    | - | - | 1509                           | 800,000        | 0 | 0 |
| ard VI.                     | - | - | 1547                           | 400,000        | 0 | 0 |
| y                           | - | - | 1553                           | 450,000        | 0 | 0 |
| beth                        | - | - | 1558                           | 500,000        | 0 | 0 |
| es I.                       | - | - | 1602                           | 600,000        | 0 | 0 |
| les I.                      | - | - | 1625                           | 895,819        | 0 | 0 |
| Commonwealth                |   | } |                                |                |   |   |
| les II.                     | - |   | 1648                           | 1,517,247      | 0 | 0 |
| es II.                      | - | - | 1684                           | 1,800,000      | 0 | 0 |
| iam III.                    | - | - | 1688                           | 2,001,855      | 0 | 0 |
| en Anne (at the Union)      |   |   | 1706                           | 3,895,205      | 0 | 0 |
| ge I.                       | - | - | 1706                           | 5,691,803      | 0 | 0 |
| ge II.                      | - | - | 1714                           | 6,762,643      | 0 | 0 |
| ge II.                      | - | - | 1727                           | 8,522,540      | 0 | 0 |
| ge III. ( <i>An.</i> 1788.) |   |   | 1760                           | 15,572,971     | 0 | 0 |
| atto ( <i>An.</i> 1800.)    |   |   | -                              | 36,728,000     | 0 | 0 |

# CONTENTS

OF

## THE FIRST VOLUME.

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### PART I.

|   |           |
|---|-----------|
| INTRODUCTION, <i>and Plan of the Work</i> | Page<br>1 |
|---|-----------|

#### CHAP. I.

|   |     |
|---|-----|
| Of the <i>Modes made use of by the Ancient Britons for raising a public Revenue</i> | - 7 |
|---|-----|

#### CHAP. II.

|  |    |
|--|----|
| Of the <i>Revenues of Britain under the Roman Government</i> | 10 |
|--|----|

#### CHAP. III.

|  |    |
|--|----|
| Of the <i>Revenue of England during the Government of the Saxons</i> | 18 |
|--|----|

#### CHAP. IV.

|  |    |
|--|----|
| General <i>View of the ancient Revenue of the Crown of England</i> | 25 |
|--|----|

#### CHAP. V.

|  |    |
|--|----|
| Of the <i>Revenue of England under the Government of the Norman Line</i> | 58 |
|--|----|

#### CHAP. VI.

|   |    |
|---|----|
| Of the <i>Revenue of England during the Saxon Line, or House of Plantagenet</i> | 82 |
|---|----|

CHAP.

## CONTENTS.

|  | Page |
|--|------|
| CHAP. VII.   |      |
| <i>Of the Revenue of England during the Government of the Houses of Lancaster and York</i>         | 133  |
| CHAP. VIII.  |      |
| <i>Of the Revenue of England under the Government of the House of Tudor</i>                        | 162  |
| CHAP. IX.  |      |
| <i>Of the Revenue of England, from the Accession of the House of Stuart to the Revolution 1688</i> | 223  |

## PART II.

### CHAP. I.

*Of the various Modes of providing for the ex-*

THE  
HISTORY  
OF THE  
*PUBLIC REVENUE*  
OF THE  
BRITISH EMPIRE.

VOL. I.

B

THE  
HISTORICAL

RECORD

OF THE  
CITY OF NEW YORK

INTRODUCTION,  
AND  
PLAN OF THE WORK.

---

THE power of a State must greatly depend on the income it possesses. If it enjoys a considerable and unencumbered revenue, it can employ a larger proportion of its subjects to carry on war, or may cultivate to more advantage, the arts of peace, when unembarrassed with hostilities: whereas, with a small income, it can neither reward the services, nor encourage the exertions of its people; and it must principally trust, both for its improvement and protection, to the natural activity of mankind, or to the voluntary and disinterested zeal of public-spirited individuals.

Introduc-  
tion, and  
plan of the  
Work.

But however numerous the advantages of a great revenue, they are dearly purchased if they cannot be procured without oppression. A certain share of his annual income no individual can refuse to contribute for the general purposes of the State. Sometimes also a slight additional burden may prove an incentive to labour, and a spur to greater diligence and activity. But if the load becomes



## INTRODUCTION.

*duction,  
plan of  
York.*

too heavy, either in consequence of the greatness of the amount, or the impolitic mode of laying it on, the industry of a nation diminishes, its wealth necessarily disappears, the number of its people decreases, and the greater the occasion it has for resources, the fewer it will actually enjoy.

Unfortunately, the system of finance so prevalent in modern Europe, has an unavoidable tendency to public oppression: wars are perpetually arising, and the contest generally is, who can first drain the exchequer, and destroy the credit of the enemy. It is soon discovered, that war is not a favourable season for imposing heavy taxes on the property of the people, and that the best mode of commanding the necessary supplies is, to borrow from those who have confidence in the faith of the nation

the nation, conducted with profusion and weakness, and, of course, terminated with disgrace.

*Introduction,  
and plan of  
the Work.*

---

In no country, has the system I allude to, been carried to such an excess, as in Great Britain. From the year 1688 to the present time, (A. D. 1800,) it has been under the necessity of increasing its revenue from about £. 2,000,000 to above £. 36,000,000 *per Annum*\*. Perhaps the state can still bear that burden, heavy as it is; but as any considerable addition to it would probably be found unsupportable, and, at any rate, as such a system, must sooner or later end, either in total bankruptcy, or the most grievous oppression, it is full time for the nation at large to consider, what measures are the best calculated, to relieve itself and its posterity, from the danger either of infamy or distress.— To assist the public in so important a discussion, the following Work has been composed.

In attempting to give an historical account of the finances of this country, the subject naturally divides itself into two branches: the first will relate to our public revenue prior to the revolution 1688: the second, to our system of finance since that

\* By a resolution of the House of Commons, dated 28th July 1800, (No. 17.) it is declared, " That estimating the gross receipt of the permanent revenue to continue the same as in the year ending 5th of July 1800, and adding thereto the additional expected produce of the permanent taxes imposed in this session of parliament, the total amount to be raised by permanent and temporary taxes, for the service of the year 1800, may be computed at £. 36,728,000."

## INTRODUCTION.

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an of  
ph.

period. During the first era, the expences of the state were principally defrayed by the ordinary revenue of the crown. It seldom happened that any extraordinary tax was imposed upon the people ; and even then, it was only a temporary grant to the monarch upon the throne. The period since the revolution, is distinguished by principles of a very different nature. The state has assumed the appearance of a great corporation ;—it extends its views beyond the immediate events, and pressing exigencies of the moment ;—it forms systems of remote, as well as of immediate profit ;—it borrows money, to cultivate, to defend, or to acquire distant possessions, in hopes that it will be amply repaid by the advantages they may be brought to yield ;—at one time it protects a nation whose trade it considers as beneficial ;

## P A R T I.

## CHAP. I.

*Of the Modes made use of by the Ancient Britans for raising a public Revenue.*

THE original inhabitants of the southern part of this island, it is probable, were descended from <sup>Ancient British revenue,</sup> the ancient Gauls or Celtæ, to whom they bore a strong resemblance in respect to manners, language, government, and religion. They were divided into many tribes, or small communities, who being engaged in perpetual hostilities with each other, could make but little progress in the arts of cultivation and improvement. Their commerce principally consisted in the exportation of hides, tin, and other articles of inconsiderable value, and from which little profit could be derived. Their history remains involved in fable and obscurity, until they became objects of importance sufficient to draw upon them the notice and the arms of Rome, when, after a gallant struggle, they found themselves obliged to resign their independence, and submit to its yoke.

The government of the ancient Britons, like that of every nation in a similar stage of society, was of a mixed nature. Each little tribe had a

HISTORY OF THE PUBLIC REVENUE Part I.

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e.*  
— prince or leader, who conducted the operations of war; and who, in proportion to his ability and success in that department, acquired influence and authority over the community in times of peace. But the weight of such princes was of little avail, unless it accorded with the general wishes and prejudices of their subjects; and their income was of too scanty and limited a nature to furnish them with the means of increasing the little power they were able to obtain.

The domain, or personal estate of the monarch, was the principal support on which he placed his dependence. It enabled him to maintain the followers of his court, and occasionally to reward their fidelity and attachment with beneficial grants. If any addition was made to the territory of the state, the greater part of it in general fell to the share of

Presents and subsidies from foreign nations, are also accounted, by such monarchs, an important source of wealth. "The German princes (we are informed by a great historian) chiefly rejoice in the gifts which come from neighbouring countries, not only such as are sent by particular persons, but in the name of the state<sup>b</sup>." To the monarch of a small tribe, a suit of splendid armour, rich harness, and chains of gold, are matters of great moment; and the transition is not difficult from the receiving of such presents, to that of an annual subsidy in money. The Romans indeed were the first who taught the northern nations in general that mercenary system.

*Ancient  
British re-  
venue.*

---

Before taxes exist to any great amount, a politic and popular sovereign may draw a precarious revenue from the voluntary contributions of his subjects. The northern nations, as described by Tacitus, bestowed on their princes, of their own accord, a certain number of cattle, or a certain portion of grain, with a view, under the appearance of honour and of reverence, to supply their necessities<sup>c</sup>. There is every reason to believe that such contributions were customary among the ancient Britons; and indeed they are the real spring from which, in almost every country, taxes are derived.

Such, joined to personal services in war, were the slender sources on which alone the ancient in-

<sup>b</sup> Tacit. de Morib. Germ. c. 15.

<sup>c</sup> Ibid.

habitants

HISTORY OF THE PUBLIC REVENUE Part I.

venue in  
time of  
Romans.

tioned ; and consequently other causes, perhaps the following in particular, must have produced so great a disproportion.

A warlike nation like the Romans, considered commerce, and the arts depending on it, as but secondary objects of attention. With them, valour in war, and a knowledge of the jurisprudence and political interests of their country, were the only estimable qualifications ; whilst the skill necessary for carrying on traffic was looked upon in a light the most contemptible. The profession of a merchant being held in disrepute, it was pursued by none who had spirit or abilities calculated for more popular and respectable employments. Hence little encouragement was given to commercial exertions ; the principles of trade were but little attended to, and instead of any addition and improve-

of territory, but also who shall possess the greatest number of active and industrious subjects. The consequence is, a considerable addition to the general wealth of those countries where such objects have been attended to; and hence they have been enabled to furnish a greater revenue for the purposes of the state.

*Revenue in  
the time of  
the Romans.*

---

The extension of paper credit, and the establishment of public debts<sup>c</sup>, are also circumstances which have not a little contributed to increase the ostensible income of several modern nations. By the easier circulation which paper-money and credit produced, individuals are better enabled to pay the public burdens imposed upon them. If taxes were paid in kind, as is still the case in poor and uncultivated countries, paper-money would be of less advantage to individuals or to the public. But as the exchequer must have money from the people, and as it receives with equal facility paper-money and specie, the increase of the one, in a financial point of view, is equally useful as a proportionable addition to the other.

In a country where taxes are laid upon articles of consumption, and where the interest of the national incumbrances is paid chiefly to the natives, the public debt itself contributes to the increase of the revenue. This seeming paradox it is not

<sup>c</sup> There is an interesting passage in Livy, (lib. 24. c. 18.) from which it appears, that during the great distresses of the second Punic war, the money belonging to minors and widows was borrowed for the public service: but this arose from the pressure of a particular exigency, and was not any permanent branch of Roman polity.

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difficult to account for. In Britain, for example, every individual who consumes his income, must pay, in taxes to the state, about one-fifth part of what he expends, exclusive of the tax lately imposed on income, by which an additional tenth is exacted. If, therefore, there is paid to the natives of this country, £. 15,000,000 *per annum*, as the interest of their share of the national debt, a fifth part of that sum, or £. 3,000,000, will be repaid by those creditors in taxes on consumable articles, to the very government from which it is received, together with £. 1,500,000 as their proportion of the tax on income, making in all no less a sum than £. 4,500,000, repaid by the public creditors to the exchequer<sup>d</sup>. This circumstance greatly contributes

new debt thus produces a new source of revenue, at least in proportion as the annual interest of such a debt is paid to the natives of the kingdom.

*Revenue in  
the time of  
the Romans.*

---

Though Great Britain, France, and Spain, cannot boast, like the ancient Romans, of contiguous provinces subject to their yoke, yet at the same time they enjoy distant colonies and possessions, which, in many respects, are equally beneficial. The surplus of the products of these possessions, after maintaining their inhabitants, it is well known, centre in the capital. The commerce carried on between the mother-country and the colonies, furnishes income and employment to many individuals in the former, who are thus better enabled to pay the burdens to which they are subject. The wealthiest colonists are in general fond of residing at the seat of government, and contribute, by the taxes levied on their property and their consumption, to increase the income of the state; and in some cases, such colonies, pay no inconsiderable sum, (after supporting their own establishments) into the coffers of the sovereign.

Not only have means been invented to increase the wealth, the industry, and the resources of nations in modern times, but better modes have also been devised for raising public revenues.

The ancient Romans shewed no mercy to the nations they conquered. No sooner were the natives completely disarmed, and a little inured to the yoke, than they found how fatal it was to be subject

HISTORY OF THE PUBLIC REVENUE Part I.

more in  
time of  
travels.

subject to distant rulers, ignorant of their situation and careless of their complaints. Provided a revenue was raised, they were little anxious about the means by which it was effected: but tyranny defeats its own object; and those countries are uniformly the most productive of revenue, where there is the least oppression, and where the greatest attention is paid to the happiness and prosperity of the people.

It is not proposed to give any particular account of the Roman system of taxation, as it is a subject which belongs more properly to the Roman, than to the British history, and would require a performance of no contemptible size to elucidate. It is sufficient for our present purpose to remark, that the taxes paid by Britain, and the other pro-

the state : that a duty was laid upon commodities sold by auction, or in the public market, above a certain value : that capitation taxes were rigorously executed ; to which might be added, a variety of other imposts, on legacies, slaves, houses, pillars, hearths, air, artists, animals, and other articles too tedious to mention<sup>e</sup> : “ Nay, such, “ it is said, is the exquisite tyranny, and insatiable “ avarice of the Romans, that they extort taxes “ even from the dead<sup>f</sup> ; alluding to a duty upon the body of the deceased, before it was suffered to be buried.

*Revenue in  
the time of  
the Romans.*

At first, the income of the province of Britain, did not pay the whole expence of the establishment<sup>g</sup> ; but it came at length to be so considerable, as to furnish the Imperial treasury with some valuable remittances. It is supposed by a modern historian, who founds his calculations upon the authority of Lipsius, that the whole revenue could not be less than £. 2,000,000 sterling<sup>h</sup>. Our information, however, as to the finances of the Roman empire in general, and in particular with regard to the specific sum drawn from each

<sup>e</sup> See Henry's History of Great Britain, vol. i. p. 237. Campbell's Political Survey, book iv. chap. 2. Whitaker's History of Manchester, vol. i. p. 212.

<sup>f</sup> Xiphil. ex Dione Nicæo, in Nerone.

<sup>g</sup> Appian, in Pref. p. 3.

<sup>h</sup> Henry's History, vol. i. p. 238. But Campbell says, that it is impossible, at present, to form any probable guess, of the Roman income from this island. Political Survey, vol. ii. p. 493, note 9.

revenue in  
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different province, is too scanty and defective, to furnish us with the materials necessary to form any exact computation.

### CHAP. III.

*Of the Revenue of England, during the Government of the Saxons.*

revenue  
under the  
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vernment.

FROM the departure of the Romans, to the invasion of England by William of Normandy, comprizes a period of about 620 years; an æra, distinguished above all others, in the English, and

inroads, and, after much slaughter, compelled them to swear allegiance to the sovereigns of Denmark. At last, William of Normandy boldly determined to attempt another revolution, and actually secured for himself and his posterity, the government of a country, thus stained with the blood of so many conquerors, who were successively vanquished in their turn.

*Revenues under the Saxon government.*

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Little or no advantage could arise, from a review of the reigns, or an account of the revenues, of the innumerable multitude of monarchs, who, in a greater or less degree, wielded the sceptre of England during the æra above mentioned. It will be sufficient to give a general sketch of the resources from which their income arose, without entering into minute and unimportant details.

The demesnes of the Anglo-Saxon monarchs were very great: a circumstance not difficult to be accounted for. The kingdoms of the heptarchy, were founded by chieftains, who commanded troops attached to them by the ties of consanguinity, who were born with an hereditary regard for the family they represented, or were led to join in the incursion, from the high idea they entertained of their courage, character, and good conduct. In other words, they were the heads of clans or little tribes, such as now exist among the Tartars, and some vestiges of which still remain in the mountains of Scotland. Such commanders, it is probable, would claim a considerable share of the territory that was conquered; and as, besides

revenue un-  
the Saxon  
government.

But the ordinary revenues of the crown, and the personal services of the people, were not adequate to the defence of the country against the incursions of the Danes. They naturally began their depredations, either in the weakest parts of the kingdom, or in places where they flattered themselves with the greatest booty, or where they were the least expected; and as their progress was marked with every species of devastation and horror, it was found necessary, when the kingdom was unable or unprepared to oppose them, to purchase their departure almost on any terms. In order to raise the money wanted for that purpose, each hide of land<sup>1</sup> (of which it is said there were 243,600 during the Saxon government) was made subject to a tax of one shilling or more, according to the peculiar exigencies of the times. This imposition, which was called Danegeld, or

price of £. 16,000<sup>m</sup>. But such bribes only served to expose the miserable Saxons to fresh insults, and greater extortion. For gratifying the avarice, increased the hopes, and swelled the demands, of the invaders<sup>n</sup>; and, on the whole, these events furnish an useful lesson to other nations, not to trust for their safety and protection, to the wealth they are possessed of, but rather to depend on the vigour of their councils, and their valour in the field.

*Revenue under the Saxon government.*

At first, this tax was laid on solely to bribe the Danes to desist from their depredations; but afterwards, under the pretence of making preparations to prevent their inroads, it became an annual branch of the revenue, and was levied by the successors of Ethelred, until Edward the Confessor, *anno* 1051, in order to render himself popular, not only abolished it, but restored to the several proprietors from whom it had been collected, as much of the produce of the tax as remained in the exchequer<sup>o</sup>. It will be seen, in a future period

<sup>m</sup> See Brady's History, vol. i. p. 123.

<sup>n</sup> The tribute paid to the Danes *anno* 1002, was £. 24,000; *anno* 1007, £. 36,000; *anno* 1012, £. 48,000. The last tribute of this kind raised for the purpose of bribing the Danes, was *anno* 1018, when Canute exacted the sum of £. 72,000 from the kingdom in general, and about £. 11,000 from the city of London besides, with a view of rewarding his Danish followers, and of inducing them to leave England, which, without some pecuniary recompence, would not easily have been effected. Brady's Hist. of England, vol. i. p. 123.

<sup>o</sup> See Webb's account of Danegeld. Madox Excheq. chap. xvii. p. 1. Mort. Hist. of Eng. vol. i. p. 118.



# HISTORY OF THE PUBLIC REVENUE Part I.

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of the history of our revenue, that this odious and oppressive burden was revived by William the Norman; a circumstance which greatly contributed to render him obnoxious to the English.

It is impossible to form any accurate calculation, of the income that would arise, from these and the other sources of revenue<sup>p</sup>, which the king of England enjoyed from the landing of the Saxons, to the destruction of the heptarchy, and from thence to the Norman conquest. It is computed that the tax called Danegeld, at the rate of a shilling for each hide of land, raised 12,180 Saxon pounds, equal in point of real value to £. 360,000 of our modern money; and consequently the tax laid on by Canute *anno* 1018, amounting to 83,000 Saxon pounds, was equal to a modern land-tax of £. 2,000,000 and a half. It was found, however, too great a burden for the country to bear; and

and to share in the immortality, of the greatest heroes and legislators of antiquity <sup>1</sup>.

*Ancient revenue of the Saxon government.*

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## CHAP. IV.

### *General View of the ancient Revenue of the Crown of England.*

**T**HERE are four principal sources of public revenue. The first is, the income derived from property vested in the public; the second, the emoluments of certain lucrative prerogatives annexed to the sovereignty; the third, voluntary

*Ancient revenue of the crown of England.*

<sup>1</sup> We are told that Alfred divided his revenue into two parts; he reserved one part for himself, the other he gave to the poor. His own share was thrown into three divisions, which he expended, in maintaining his household, in paying his architects, and other curious workmen, and in pensions to strangers invited to his court, for the instruction of his subjects. The portion of his revenue appropriated for charitable uses, was divided into four parts. The first was assigned for the relief of the poor in general; the second, for the maintenance of the monasteries he had founded; the third, for the subsistence of the professors and scholars at Oxford; the fourth, for poor monks, whether English or foreigners. Hearne's *Life of Alfred*, p. 204.

Such as wish to be more fully informed with regard to the revenue of England under the Saxon government, may consult Henry's *History of Great Britain*, vol. ii. p. 258. Campbell's *Political Survey*, vol. ii. p. 499; and Stuart's *Historical Dissertation on the English Constitution*, p. 105. 137, and 142.

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ancient revenue of the crown of England.

contributions from the people; the fourth, taxes, or imposts, not spontaneously given, but legally exacted. From one or other of these great sources all public revenue must arise. Without entering into any particular discussion of the principles on which they are respectively founded, or inquiring, where they are peculiarly productive, or which of them, in various circumstances, may have the best claim to be preferred, the sole intent of the present chapter is, to give a general view of the sources whence the ancient revenue of the crown of England was derived; including also the first dawning of our present financial system.

### I. Property vested in the Sovereign.

Crown lands.

In the preceding chapter it was observed, that the royal domains of the Saxon monarchs were very

shared the same fate with those of other countries, and hardly a vestige now remains, of the extensive property which William I. and his successors were possessed of. Nor is this to be wondered at; for when great estates, are with difficulty kept, for any length of time, in the families of private individuals, it cannot be expected, that property much more valuable and extensive, can be long preserved from the artful rapacity of needy favourites, the natural profusion of courts, or the negligence and treachery of their officers.

*Ancient revenue of the crown of England.*

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The royal forests yielded no direct or certain <sup>2. Forests.</sup> revenue to the crown: an income could not be expected from waste lands set apart for deer and other animals of the chase, and destined, not for the king's profit, but for his recreation and amusement. However, as many laws were passed, and particular courts and officers were appointed, for preserving the royal game, and as those who trespassed upon the royal forests, were liable to heavy fines and amerciaments, profuse and needy monarchs, were thence enabled, to raise considerable sums, from such of their subjects as lived in their neighbourhood'. This mode of raising money was often complained of as oppressive. It fell into

' The king possessed 68 forests, 13 chases, and 781 parks in different parts of England, which, considering the extreme passion of the English and Normans for hunting, were so many snares laid for the people, by which they were allured into trespasses, and brought within the reach of arbitrary and rigorous laws. Hume, Appendix ii. vol. ii. p. 136.

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## HISTORY OF THE PUBLIC REVENUE Part I.

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disuse about the time of Charles I. and indeed was totally incompatible with the nature and principles of a free constitution.

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The only remaining species of property which the crown of England was entitled to, was a right to all the mines of gold and silver discovered in the kingdom: nay, it was contended, that if the smallest quantity whatever of these precious metals was discovered in a mine, it instantly became the property of the monarch. This harsh and impolitic idea, was not completely effaced, until it was enacted, soon after the Revolution, that the crown should only be entitled to purchase the ore at a certain fixed price\*; and even that provision was found to be of too unpopular a nature to be carried into practice.

### 2. Lucrative Prerogatives.

The king, in particular, by the laws of England, was accounted the sovereign lord, and original proprietor of all the lands in his kingdom. It was supposed that every portion of the soil was at first granted by the crown, and was holden of it, subject to military and other services. "The intention of this fiction was to enable the king, by his royal prerogative, to put the kingdom in a state of defence, whenever it might be necessary; and every holder of land, was thus obliged to maintain the king's title, and to defend his territories, with equal vigour and fealty, as if he had received his estate upon that express condition." But this system, originally intended for the public protection and security, was afterwards made a pretext, to introduce a plan of tyranny and oppression, hardly to be equalled in history.

*Ancient revenue of the crown of England.*

RIGHT OF SEIGNIORY.

For, in the first place, the proprietor of every estate in the kingdom, in proportion to its extent, was burdened with military services; for which, in process of time, a certain sum of money was taken, by way of fine or commutation, called *escuage*.\*

2. He was also subject to certain annual payments or *rents* in money, laid on as a mark of the lord's pre-eminence, and in order to keep the vassal in

*Escuage.*

*Quit rents.*

\* Black. Comm. on the laws of England, vol. ii. p. 51. 53, &c.

\* *Escuage* is derived from *escu* (French) a shield; and *escuage* was a certain sum of money paid in lieu of the service of the shield.

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perpetual remembrance of his feudal subordination.

3. He was obliged, under the name of *aids*, to give pecuniary assistance when necessary, to ransom the king's person if taken prisoner, to furnish a portion to his daughter, and to contribute to the expence incurred on making his eldest son a knight.

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4. It was supposed, upon the death of the feudal possessor, that the estate ought to revert into the hands of the superior lord, and under that pretence it was contended, that the new vassal ought to make him a present of a suit of armour (which, in ancient times, was reckoned peculiarly valuable), or to pay a fine under the name of *relief*; to which, in process of time, an addition was made called *primer seisin*, entitling the king to demand from the heir of any of his tenants *in capite*, who died seised of a knight's-fee, one year's profit, upon his being put in possession of the estate. 5. If the heir was

feffion of the *fief*, an enemy of the lord ; perhaps one defcended from a family with whom he had an hereditary variance<sup>1</sup>. Upon this ground, the feudal fuperior was invefted with fome degree of control over the ward's marriage, and at length the right of felling the ward in marriage, or of receiving the price or value of the match, was confirmed by an exprefs act of the legiflature.

*Ancient revenue of the crown of England.*

7. It was afferted by the feudal lawyers, that when the king gave an eftate to be holden of himfelf and his fucceffors, it was a gift to a chofen and felected individual, which no other perfon ought to be put in poffeffion of, without his privy and confent ; and that any attempt to infringe upon this effential ftipulation, by alienating the lands to a ftranger, ought to be attended with the forfeiture of the grant<sup>2</sup>. This right was exercifed with great feverity, during feveral reigns in the earlier part of the Englifh hiftory, until at laft it was determined by ftat. Edward III. c. 12. that one third of the yearly value of the lands fhould be paid by way of *fine*, for a licence of *alienation* ; but if the tenants prefumed to aliene without a licence, that they fhould be liable to a full year's rent of the eftate. 8. *Escheat* was the laft fruit or incident refulting from the feudal fystem. It was

*Fine of alienation.*

*Escheat.*

<sup>1</sup> Dalrymple on Feud. Prop. chap. ii. feft. 2. 4th edit. p. 38.

<sup>2</sup> Bacon's Works, folio edit. vol. iii. p. 551.

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a species of confiscation<sup>a</sup>, by which the feud reverted to the sovereign, either from the delinquency of the vassal (who held it under the implied condition that he should not prove guilty of any act of felony or treason), or in consequence of his dying without an heir, either fit to perform the stipulated services, or entitled, by the original grant, to succeed to the feud.

Such was the heavy and complicated system of personal slavery, and of financial oppression, to which this country was in general subject, from the invasion of William the Norman, until the restoration of the regal government in the year 1660. Fortunately, by 12 Car. 2. chap. 24. the whole fabric was demolished at one blow, and it is now a matter of just astonishment, how a nation who gloried in its freedom, and boasted of the mildness and benignity of its laws, could suffer itself to

*vacantia*, or goods to the property of which no other person had any legal pretension. Upon this principle chiefly, the king of England was entitled ;

*Ancient revenue of the crown of England.*

1. To all *treasures* of money, gold, silver, plate, or bullion, found hidden in the earth. 2. To

*Treasure-trove. Waifs.*

*waifs*, or goods stolen and waived, or thrown away by the thief in his flight, for fear of being apprehended, provided the party injured did not exert himself in the pursuit or conviction of the offender.

3. To *estrays*, or valuable animals found wandering

*Estrays*

without an owner, which, it is said, belonged to the king, not only as *bona vacantia*, but also to recompense the damage done by them to the soil, of which he is the general proprietor. 4. To

*Royal fish.*

certain fish called *royal* on account of their size and value, if they were either thrown ashore upon the coast, or caught so near it, as to require little dexterity to kill them. 5. To *goods wrecked*, if

*Goods wrecked.*

no proof could be made within a certain space of time who were the legal proprietors ; a privilege perhaps given to the sovereign with a view of inciting him to check the inhuman practices too common upon such occasions, when such goods are suffered to be pillaged by the inhabitants of the coast. 6. To the annual profits arising from the

*Custody of idiots.*

estates of idiots, or natural fools, after defraying the expence of their maintenance ; for an idiot was accounted nobody by the law ; his effects, therefore, during his life, were considered as a species of *bona vacantia*, and consequently belonged to the sovereign ; but after his death, they

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again reverted to their natural owners. Lastly, to the personal, as well as landed property of every individual, to whose inheritance no just and legal claim could be produced.

However trifling any advantages arising from such rights may appear in modern times, yet anciently, they were accounted of considerable value and importance. Nor was it reckoned at all beneath the dignity of the crown, to exercise any of its rights, even the most obnoxious, provided it yielded profit to the exchequer.

The remaining prerogatives of the crown attended with any lucrative advantages, were either of a military—judicial—political—inquisitorial—commercial, or ecclesiastical nature.

Military  
prerogatives.

The right of declaring war, and of making peace, is a very important prerogative, of old vested in the sovereigns of this country. It was

The power of distributing justice, either personally, or through the medium of courts instituted for that purpose, was another royal privilege, acquired at an early period of society, and productive of some revenue. As the administrator of the laws, and guardian of the public peace, all fines and pecuniary punishments were appropriated to the use of the sovereign; nay, under the pretence of giving a recompence to the king and his officers, for their trouble in administering justice, they were permitted to exact fees in the course of a great variety of legal proceedings, the profits of which were originally intended for the royal maintenance, though since diverted to less useful or essential purposes.

*Ancient revenue of the crown of England.*

2. Judicial.

The sovereign of England was accounted the sole fountain of honour, of office, and of privilege. It will appear, in the progress of this work, that this prerogative yielded some profit to the exchequer; some monarchs disposing of offices for money; others making a sale of titles and honours; and in general, all of them demanding pecuniary returns for any privileges they bestowed, either on corporate bodies or individuals.

3. Political.

It was imagined, that the king would often find it necessary, with a view of examining into the real state and circumstances of the country, to make a personal progress throughout his dominions; and, as the removal of the court would occasion an unusual demand, at the places to which it went, for every species of provisions, it was

4. Inquisitorial.

## HISTORY OF THE PUBLIC REVENUE Part I.

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thought requisite to give the crown a right of purchasing necessities for the maintenance of the royal household, at an appraised valuation, in preference to all other persons, and even to force the sale or the hire of any thing peculiarly wanted, without the owner's consent<sup>b</sup>. This prerogative, which obtained the names of *purveyance* and *pre-emption*, was afterwards extended to every spot where the royal family resided. But the powers vested in the purveyors, or officers appointed for that purpose, being greatly abused, and indeed becoming every day less requisite, in consequence of the great increase of cultivation and improvement, and of the abundance which necessarily followed, the whole right was abolished, at the same time with the harsh and obnoxious system of military tenures; and, by 12 Car. II. chap. 24. the hereditary excise and a duty on wine licences

fees for measuring cloths for sale) was taken away; and, as money is the medium of commerce, it was in consequence of the same prerogative, that the crown enjoyed the right of coining money, and the gain attending it<sup>c</sup>. Nor were these the only advantages resulting from this right; for, in virtue of acting as the arbiter of commerce, the king claimed the lucrative privilege of granting patents and monopolies, which, in the reigns of the first monarchs of the Stuart race, was particularly abused: nay, the post-office is properly a mercantile monopoly, which is still retained for the benefit of the public, yielding no inconsiderable revenue.

*Ancient revenue of the crown of England.*

Since the reign of Henry VIII. the monarchs of England have been accounted the head of their people, not only in civil, but in ecclesiastical matters; and, even before the Reformation, they enjoyed some privileges and revenues from the church, not, however, attended with much real profit, as they were held under the implied trust of being alone made use of for the advantage of the clergy. Without examining the propriety of that restriction, it is sufficient to remark, that either as head of the

6. Ecclesiastical prerogatives.

<sup>c</sup> The profit of coinage was 5 s. in every pound weight of gold; out of which a shilling, and sometimes eighteen pence, was given to the master of the mint, for his work and trouble; and a shilling for every pound weight of silver, of which the king reserved only a fourth part to himself. Afterwards, in the reign of Henry V. the seignorage on silver was raised to fifteen pence. Sir M. Hales's Sher. Accounts, p. 6.

HISTORY OF THE PUBLIC REVENUE Part I,

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church, or before the Reformation, as possessing royal authority, the king claimed a right, 1. To the profits of all archbishoprics and bishoprics during a vacancy. 2. To a corody, or a right of compelling any of his bishops to maintain one of his chaplains, or to give him a benefice. 3. To the tithes of all extra-parochial districts; and lastly, to the first fruits and tenths of the livings of the clergy, which they originally paid to the pope; but which, upon the destruction of his authority in England, were demanded by the king, as his successor in clerical supremacy.

Such were the lucrative prerogatives annexed to the sovereignty of England, of which it was thought necessary to give this brief account, principally extracted from the works of that learned commentator on the laws of England, Sir William

### III. Voluntary Contributions.

*Ancient revenue of the crown of England.*

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When the income of the public is found inadequate to the national expences, it is natural for a monarch possessed of any degree of popularity, in the first place to trust to the voluntary contributions of his subjects; and in the financial history of England, it will be found, that various benevolences or free gifts, were at different times paid by the people. But supplies of so precarious and uncertain a nature, could not be much depended on; and it was necessary at last to have recourse to taxes or contributions, exacted by the government of the country, without particularly consulting the inclinations of the people, in their individual capacity; a system of revenue, which, though, when abused, it has given birth to much discontent, and indeed has occasioned many revolutions, yet has hardly ever been accompanied, either with much disgust, or with great oppression, where this rule has been invariably adhered to, *never to exact from any individual, a sum of money, which, consistently with his circumstances, and the situation of the public, he ought not, on every principle of justice, SPONTANEOUSLY to have given.*

### IV. Taxes.

Taxes are the last legal expedient for procuring a public revenue, to which a financier can apply.

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They were not unknown in England prior to the revolution; but as they bore no resemblance, either in respect to their weight, or the variety and number of their branches, to the immense farrago of heavy burdens with which we are now loaded, it is hoped that the following general view of this part of the subject will suffice.

Taxes  
kind.

The scarcity of money in England, as well as in other kingdoms of Europe, prior to the discovery of America, rendered it occasionally necessary to levy taxes in kind. Of this, some instances occur in the English history, particularly in the time of Edward III. who, without either money or some valuable commodity, could not have carried on his bold attempt of wresting the crown of France from the house of Valois. In the 12th year of his reign, *anno* 1338, he procured the enormous grant of half the wool in England, amounting to 20,000

almost in every instance, when attempted in England, they have either proved obnoxious or unproductive. One exception, however, it is necessary to take notice of.

*Ancient revenue of the crown of England.*

From the period of the Norman invasion, to the establishment of the Hanseatic league, the commerce of the northern parts of Europe was principally carried on by the Jews; and as, in addition to the profits of trade, they enjoyed the more lucrative gains of usury, it is easy to perceive, that they must in time have engrossed a great proportion of the wealth of the country. But such as were settled in England, did not long escape the fatal notice of the sovereign and his ministers; and as in consequence of the method in which their riches were acquired, and the peculiarity of their dress and manners, joined to religious prejudices, they were detested by the people at large, the king met with no opposition in oppressing and pillaging them, in any way he thought proper. A court denominated the Exchequer of the Jews, was instituted for the sole purpose of managing the revenue of Judaism, as it was called, which remained unabolished until the year 1290, when the Jews were expelled from England by Edward I.\*

3. Taxes on the Jews.

The species of house tax, called Hearth-money, is among the most ancient in the kingdom. It is even mentioned in Doomfday Book, under the

4. Hearth-money.

\* See Maddox's Hist. Excheq. c. 7; and Tovey's Anglia Judaica.

# HISTORY OF THE PUBLIC REVENUE Part I.

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name of Fumage, or Fuage, and consequently must have existed before the Conquest'. By stat. 13 and 14 Car. II. ch. 10. an hereditary revenue of 2 s. for every hearth, in all houses paying to church and poor, was granted to the crown for ever. But as the duty could not be regularly collected, unless the revenue officers were empowered to view the inside of every house, it was thought contrary to the principles on which the English government is founded; and upon that ground, by 1 W. & M. sess. 1. ch. 10. it was utterly taken away, in order (it is said in the preamble of the bill) "to erect a lasting monument  
" of their Majesties goodness, in every house in  
" the kingdom."

But however necessary it might be, in consequence of the politics of the times, to enact so popular a law, yet the real justice and propriety of

Before this part of the subject is concluded, it may be proper to remark, that for some years posterior to the Conquest, there existed in England, a particular kind of hearth-money, called *Moneyage*, or *Mintage* money, originally levied in Normandy, and thence imported into this island. It was a tax of 1 s. for each hearth, payable every three years, by way of bounty or recompence to the king, not to alter or debase the coin, which he was entitled to do by his prerogative. This branch of the revenue <sup>‡</sup> was abolished by the charter of Henry I. and it was so particularly obnoxious to the English nation, on account of its Normanic original, and its repugnance to the laws of the Confessor, that none of that monarch's successors attempted to revive it.

*Ancient revenue of the crown of England.*

The origin of land-taxes, in this country, may be traced to the duty called *Escuage*, or *Scutage*, which has been already taken notice of, as resulting from the feudal system. At first, it was levied on the proprietors of land by the royal authority; but in consequence of this right being abused, it was at last declared by *Magna Charta*, and afterwards repeatedly confirmed by acts of parliament, that no scutage should be imposed without the consent of the great men and commons, in parliament assembled. This tax was sometimes exacted, under the name of *Hydage*, or *Carrucage*. But taxes on land, came, at last, to be included under

5. Land-tax.

‡ Hume, Append. II. p. 132. Mort. vol. i. p. 206.

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# HISTORY OF THE PUBLIC REVENUE Part I.

the general name of subsidies, and of monthly assessments.

Nor was personal property exempted from incidental burdens. It will be seen, in the course of this work, that a tenth or fifteenth part of the moveables, or personal estates of the people, was occasionally given to the king for carrying on his government. Tenths were first granted in the reign of Henry II, to enable him to defray the expences of a pious expedition he had projected, in order to check the progress of Saladine, who threatened to drive the Christians from their possessions in Asia<sup>b</sup>; and hence it obtained the name of the Saladine Tythe. In the eighth year of the reign of Edward III, this tax was brought to a certainty. A tenth and fifteenth was then raised, to the sum of £. 29,000, equal to £. 58,000 of our present money; and ever after it was

tion, that one lay subsidy, at the above rates, did not exceed £. 70,000, which, in the shape of a modern land-tax, would now produce £. 2,000,000. But it is to be remarked, that the estates of the clergy were not included in this sum; for their subsidies (until the 15th of Charles II.) were granted, not by parliament, but by their own convocation; and a subsidy from the church, at the rate of 4 s. in the pound, produced about £. 20,000. The last tax, by this mode of subsidy, was levied *anno 1670*; since which period, it was laid aside, and what is now called the Land-Tax, though it also imposes a burden upon personal property, was established in its room.

*Ancient revenue of the crown of England.*

The customs were an old branch of the royal revenue. It is said, that they were, at first, small sums paid by the merchants for the use of the king's warehouses, weights, measures<sup>k</sup>, &c. Afterwards, a tax, known under the name of *Prisage*, took place, which was in fact nothing but a branch of purveyance; in virtue of which, the king's officers seized two tuns of wine from every ship belonging to England, importing twenty tuns, or more, in order to supply the king's household with that valuable article; and for which they paid at

8. Customs;

<sup>k</sup> Gilb. Excheq. p. 214. Hume, vol. ii. p. 177. According to Henstall, they existed before the conquest. *Consuetudo* being found in every county mentioned in Doomsday Book, and *Theloneum*, in most Saxon laws. Specimens and parts containing a history of the county of Kent by Samuel Henstall, clerk, in 4to. Printed An. 1798.

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## HISTORY OF THE PUBLIC REVENUE Part I.

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the moderate rate of only 20 s. *per* tun. Merchant strangers were exempted from the tax of prisage, but in lieu thereof, paid a duty of 2 s. for every tun they imported, which was called *Butlerage*, because it was paid to the king's butler. The subsidy called Tunnage and Poundage, or a tax upon every *tun* of wine, and every *pound* of merchandise, imported into this country, first took place in the reign of Edward I. But the history of that important branch of the revenue, and the income which it produced, will more fully appear, in the farther progress of this work.

excise.

The excise was first established in England, by the long parliament, *anno* 1643. It is supposed, that the plan was originally adopted, in consequence of its success in the neighbouring commonwealth of Holland. It is not to be wondered at, that so efficacious a mode of raising money, when once it

may not be traced to a period earlier than the revolution, though the duties which then existed, were neither so heavy in their amount, nor extended into so many various branches.

*Ancient revenue of the crown of England.*

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The present situation of England, however, in regard to financial burdens, cannot justly be compared with the past, without taking into our consideration, the illegal extortions of the sovereign, and the wealth drawn from this country, by the artifices of the church of Rome.

### V. Regal Extortions.

Hume justly remarks, “ That the ancient kings of England seem to have put themselves on the footing of those barbarous eastern princes, whom no one durst approach without a present; who sell all their good offices: and who intrude themselves into every business, that they may have a pretence for extortion<sup>1</sup>.” And it is certain, that if the disgraceful means they adopted to procure money, had rested solely on the authority of historians, instead of remaining in our public records, the standing monuments, and indisputable evidence of their shameful venality, they would have been rejected as incredible. The exactions to which I allude, are known under the names of Oblations—Queen-gold—Amerciaments—Talliages—and Farms of Counties; to which

<sup>1</sup> Hist. vol. ii. p. 131.

might



HISTORY OF THE PUBLIC REVENUE Part I.

might be added, extorted Benevolences, and compul-  
sive Loans, if they required any particular  
explanation.

Oblations, or Fines, as they were also called, are  
described to be voluntary proffers of money, or of  
any other article, or commodity, to procure the  
favour of the crown, or to deprecate its resentment.  
It is hardly possible to enumerate the various spe-  
cies of them, which appear upon the ancient rolls  
of the revenue; but it may not be improper to  
give a short view of the most singular and im-  
portant.

1. The kings of England were, in the first  
place, accustomed to receive considerable sums of  
money for granting, or confirming rights and  
franchises of every kind. A few instances are  
sufficient to show the general nature of these pay-  
ments. Robert de Cardinan gave 10 marks, that

of proceedings at law \*. The same sovereign who pretended to be the fountain of justice, became too often the source of iniquity and of oppression. Even in the reign of Henry II. who was undoubtedly the best of the Norman princes, there are instances of money being given to the king by several of his subjects, for stopping or suspending pleas, trials, and judgments, or for expediting them as speedily as possible; for procuring restitution of lands, or chattels, or that they might not be disseised; for obtaining an acquittal of certain crimes, and certain modes of trial, or a discharge from imprisonment; and for insuring the king's protection, or his mediation in their affairs<sup>†</sup>. Nor was it unusual for a creditor to offer the sovereign a certain portion of the debt, which he, as guardian of the laws, and the executor of justice, would assist him in recovering<sup>‡</sup>. To guard against such shameful abuses, was the object of the famous

*Ancient revenue of the crown of England.*

\* The circuits of the itinerant justices were principally for the emolument of the prince. The rights even of the privileged orders, the administration of the laws, or the good of the community, appear only to have been incidentally considered. From their instructions, preserved by Bracton, a contemporary author, it is evident, that the interest of the sovereign was the grand object of their mission, and there is not one article specified for their attention or enquiry that was not immediately connected with the revenue. See Henshall's Specimens of the History of South Britain, p. 17, 18, and 19.

† Lytt. Hist. vol. iii. p. 261.

‡ Madox, p. 311. Hume's Hist. vol. ii. p. 112.

HISTORY OF THE PUBLIC REVENUE Part I.

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clause in Magna Charta: "*Nulli vendemus, nulli  
negabimus, aut differemus rectum, aut justitiam.*"

3. A variety of instances might also be produced, of oblations of so miscellaneous a nature, that it is impossible to reduce them under particular heads. Many fines were paid, for leave either to hold or to quit certain offices. The tenants of the crown, who held *in capite*, frequently proffered considerable sums of money, that they might not be compelled to marry, or at least might be permitted to marry whom they chose. None were suffered to exercise commerce, or industry of any kind, unless they furnished the crown with money. Thus merchandise, in all its various branches, became a fruitful source of revenue. Some instances like-

shads, for an inquest to find, whether Gilbert, son of Alured, gave to Roger two hundred muttons, to obtain his confirmation for certain lands, or whether Roger took them from him by violence<sup>1</sup>. The wife of Hugh de Nevile (who was probably a prisoner under close confinement) gave the king 200 hens, that she might sleep with her husband one night; and not being able to provide them immediately, her husband, and Thomas de Sanford, pledged themselves, that they should be delivered within a limited time<sup>2</sup>. Peter de Perariis gave twenty marks for leave to salt fishes, as Peter Chevalier used to do. The Abbot of Rucford gave ten marks for leave to erect houses, and place men upon his lands, near Welhang, to secure his wood there from being stolen. Ralf Bardolf was fined five marks, for leave to rise from his infirmity: and to the disgrace of the laws and justice of England in those days, the rich and powerful county of Norfolk, thought it necessary to proffer an oblation of forty marks, in order that it might be fairly dealt with: the burgesses of Yarmouth, twenty-five marks, that they might be dealt with according to the king's charters, which they have

*Ancient revenue of the crown of England.*

<sup>1</sup> Madox, 305.

<sup>2</sup> Madox, p. 326. This singular oblation was proffered in the sixth year of the reign of John. Lord Lyttleton, however, properly remarks, that the ludicrous kind of tyranny which the king exercised over his subjects, must rather be imputed to the character of the man, than to the law, or custom of the times. Hist. of Hen. II. vol. iii. p. 263.

HISTORY OF THE PUBLIC REVENUE Part I.

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for their liberties; and several hundreds of Northamptonshire, sixty marks, that they might be heard without impeachment\*.

Queen-  
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When an oblation was proffered to the king in money, the queen-consort at the time, was entitled to demand from the party, a certain addition to it, founded on the supposition, that when the king granted any special favour to any of his subjects, or mitigated any burden or penalty to which they were liable, that she had interposed her good offices in behalf of the suitor. This ancient perquisite was called Queen Gold, or *Aurum Reginae*, because the queen received an ounce of gold, for every hundred marks of silver promised to the king<sup>v</sup>.

of the Exchequer<sup>a</sup>, the following will sufficiently explain the nature of these exactions. The men of Northumberland were amerced, for not cutting off the feet of their dogs<sup>a</sup>: Harvey, the clerk, for impleading the abbess of Winton, contrary to the king's command<sup>b</sup>: Ralph Fitz Roger, for saying a thing which he afterwards contradicted<sup>c</sup>: Stephen de Merefleet, *pro fulto responfo*: Gilbert de Henley, *pro falso dicto*: Nicholas, son of Liulf, *pro fulto dicto*: Henry, the dean, and many others, *pro fultiloquio*<sup>d</sup>: The hundred of Bostone, for the default of a certain maid servant, who was present when a horse struck a man, and killed him<sup>e</sup>. The amerciements for the forests were particularly oppressive; and by trespasses, defaults, purprestures, and otherwise, a great revenue was annually raised from the districts in their neighbourhood<sup>f</sup>.

*Ancient revenue of the crown of England.*

The tenants in the royal demesnes (in which, 4. Talliages, originally, all the great towns in the kingdom were comprehended) were also subject to certain arbitrary exactions, called *talliages*, or *cuttings*, because a certain proportion of their personal property was under this name taken from them, and appropriated to the use of the sovereign<sup>g</sup>. In the

<sup>a</sup> Chap. 14.

<sup>a</sup> Madox, p. 388.

<sup>b</sup> Ibid. p. 390.

<sup>b</sup> Ibid. p. 388.

<sup>c</sup> Ibid. p. 392.

<sup>c</sup> Ibid. p. 393.

<sup>d</sup> Ibid. p. 272.

<sup>e</sup> Talliage is derived from the French verb *Tailler*, to cut. See Du Cange Gloss. voce Tallagium.

HISTORY OF THE PUBLIC REVENUE Part I.

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king's manors and landed estates, such exactions were totally arbitrary; but in towns, it was a kind of free-gift from all the inhabitants, as a body corporate, who were assembled together by the justices itinerant in the course of their circuits, in order to be made acquainted with the king's necessities, and the sum which he expected. If any town, or borough, however, in consequence of this requisition, did not give, according to the wants or expectations of the crown, the justiciar inquired into their behaviour, and into the manner in which their privileges were made use of, and any plausible pretence was embraced, of issuing out *Quo Warranto's*, and of confiscating the charters they had received<sup>b</sup>. Those who held their land in *Frank Almoigne* or were subject to military

partial aids, but subsidies from the kingdom in general. The happy effects resulting from this judicious measure are well known. The public revenue was increased, and the lower house of parliament thus acquired that weight and consequence in the state, which enabled it to establish the rights and liberties of the people upon the firmest foundations.

*Ancient revenue of the crown of England.*

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But the ancient kings of England, not contented with these exactions, were also accustomed to let the different counties in the kingdom, in farm, to certain officers, called Sheriffs, who, in consideration of sums annually paid to the exchequer, were entrusted with powers, too often attended with the greatest oppression of the people. Such officers would not exercise much caution in their mode of proceeding, when they were accounted "*the deputies of the Lord, of the great Seigneurie of the realm.*" And as the leases which they received were only annual, that circumstance would not tend to diminish the various abuses, which such petty tyrants would naturally be inclined, either to countenance, or to commit, in their respective districts<sup>k</sup>.

5. Farms of counties.

<sup>k</sup> Madox. Excheq. p. 223. The particulars of the *proscium committatis*, may be seen in Hales's Sheriffs Accounts, p. 30, 31, 32. The crown also exacted yearly farms, or rents, from towns, burghs, and gilds. Madox, p. 226.



## VI. Papal Exactions.

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Whilst the authority of the Pope was acknowledged in this country, England was deservedly accounted one of the richest jewels in the papal crown. Without entering minutely into the various exactions of the Roman pontiffs, which may be found, at full length, in a volume confined to that particular subject<sup>1</sup>; it is sufficient for our present purpose to remark, that, during the reign of King John, an annual tribute of 700 marks was paid for England, and 300 for Ireland; and that every house in the kingdom, in which there was twenty pennyworth of goods, paid a penny yearly to the Pontiff, or his legate. This tax was levied with such strictness, that it was held to be a *consuetudo quasi apostolica*<sup>m</sup>. The first fruits, and

were a variety of occasional exactions, as “ pen-  
 “ sions, censures, procurations, suits for provisions,  
 “ and expeditions of bulls, for archbishoprics and  
 “ bishoprics, and for delegacies; and the rescripts in  
 “ causes of contentions and appeals, jurisdictions  
 “ legatine, dispensations, licenses, faculties, grants,  
 “ relaxations, abolitions, and infinite sorts of bulls,  
 “ briefs, and instruments of sundry natures,  
 “ names, and kinds, to the great decay and im-  
 “ poverishment of the kingdom.” It is incre-  
 dible, what sums of money are supposed to have  
 been extracted out of this kingdom under these  
 pretences; and how much they contributed, to  
 render it difficult for the crown, to raise a revenue  
 adequate to the exigencies of the state.

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Such were the burdens to which the inhabitants  
 of England were formerly subject. It is certain  
 that they did not exist at once; and that sometimes  
 one mode of exaction prevailed, which, in process  
 of time was abandoned in favour of another. But,  
 whatever the *laudatores temporis acti* may say, it  
 must be evident to every impartial person, that  
 our ancestors had great reason to be dissatisfied  
 with their political situation, even in the article of  
 taxation; and perhaps the present æra is, in that,  
 as well as in many other respects, as desirable a  
 period to live in, as any that can be pointed out in  
 the history of this country; our additional weight  
 of taxes being fully compensated, by a more ex-

*Conclusion.*

\* 25 Henry VIII. chap. 1.

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HISTORY OF THE PUBLIC REVENUE Part I.

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tended commerce, by improvements in every branch of science and of art, and by great accessions to our wealth, our security, and our freedom °.

CHAP. V.

*Of the Revenue of England under the Government of the Norman Line.*

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IT is natural at the first glance to imagine, that an insular dominion is peculiarly inaccessible, and easy to be defended; that the expence of a maritime expedition, the hazards of the sea, the difficulty attending the landing of troops, and the risk of famine, joined to the opposition of the natives,

would place almost unfurmountable obstacles in the way of an invader; and though, by choosing a happy moment, one attempt might perhaps be prosperous, yet that many ages would elapse, before another opportunity, equally fortunate, could possibly occur. It is singular, however, that Britain has hardly ever been invaded, without having produced an important revolution; and it may not be improper, briefly to state, whence this has proceeded, and what peculiar circumstances contributed to render the Norman invasion successful.

*Revenge in  
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The more secure a nation is, or considers itself to be, the less precaution it will take for its safety and defence. Deriding the idea of invasion, and laughing at the efforts of an enemy, it is unprepared to resist an attack when it actually takes place. If the first difficulties, therefore, are surmounted, and more especially if the invader is fortunate enough to conquer in the first engagement, he afterwards finds no fortrefs to check his progress, or to obstruct his march to any place of which he wishes to be master. The whole country becomes a scene of tumult, anarchy, and confusion; and every district strives which of them shall manifest the greatest readiness to submit to his yoke.

An invader, qualified for any bold enterprise, on the other hand, is thoroughly apprised of all the difficulties he has to encounter; and is sensible, that his only prospect of success depends  
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upon his power and dexterity to overcome them. He makes, therefore, every necessary preparation—he proceeds upon a settled plan—he cautiously weighs every adverse and untoward circumstance; and never ventures to set out, without a strong probability in his favour, and a full assurance, if successful, of being amply rewarded.

The being pent up in an island, and that island possessed by an enemy, without any place of refuge, or hopes of escape, is a strong spur to the greatest exertions. An ancient general, who was determined to conquer, placed his army, with a deep river behind them, and informed his troops, that they must either vanquish the foe, or perish in the flood. An enemy, by whom an island is invaded, is uniformly in that desperate predicament; and has no alternative, but either to con-

valour, and they had recently seen all the qualities of a great commander successfully displayed against a formidable army of Norwegians ; but they knew, that he sat upon a throne, to which another was entitled. They fought under his banners therefore, as if they contended, rather to support their own character, and to defend their own rights, than to secure his crown from the pretensions of a rival. Indeed, if Harold had not been considered as an usurper, they would not have murmured because the Norwegian booty was withheld, nor would they have abandoned his colours, in consequence of that disappointment, or disregarded the orders of their general, when the fate of England depended upon their discipline and obedience.

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To crown the whole, Edgar Ætheling, the representative of the Saxon monarchs, and consequently who had the only legal title to the sovereignty of the country, and to whom, after the death of Harold, the English naturally looked up, had neither experience nor abilities calculated to act with vigour in so critical a juncture. He neither knew how to curb the foe, how to conciliate the affections of his subjects, or how to animate troops dispirited by the overthrow they had received ; and being better fitted for the calm scenes of private life, than for the tempest of war or the intrigues of a cabinet, he relied on his insignificance, for at least personal safety ; and throwing himself at the feet of the Norman, was one of the

assurances he gave his new subjects, attention would be paid to the preservation of public liberties, and private rights; Normandy, after having vanquished England, and slain its monarch, at the battle of Hastings, was acknowledged reîgn of the country, and crowned at V with all the forms usual at such solemnities, and posterity have ever since sat upon the throne of England. But as Henry the Second descended from the old Saxon line, to the opinion of the English nation, the line was prolonged; and as, in the person of that monarch, the former royal race was said to have been re-blissed, and a new æra to have been introduced into the English history, the present reign is therefore restricted to the reigns of the kings after the Norman invasion.

England, in the plain and literal sense of that word ; *Revenue in the time of the Normans.*  
 antiquaries having discovered, that *conquestus* may be applied not only to an acquisition by force of arms, but also by purchase, or by donation. They have thence contended, that by the Norman Conquest, ancient historians meant the acquisition of England by the duke of Normandy, in consequence of the pretended will of the Confessor, and the voluntary submission of the English. It is certain, that William conducted his measures with the greatest art, prudence, and dexterity ; that he soothed the inhabitants of the country, until they were completely in his power : and, perhaps, he would have trusted them, if he could have depended on their fidelity and attachment. But both parties were jealous of each other, and it is impossible, consistently with historical evidence, to consider the first of the Norman monarchs in any other light, than as *a conqueror who, partly by force, and partly by stratagem, subdued a country, to the government of which he had no just pretension, and a majority of whose inhabitants detested the tyrant they were subject to, and would gladly have thrown off his yoke.*

Among the other means pursued by William I. to secure his acquisition, the following are more particularly connected with the object of this work : namely, the complete establishment of the feudal system—the survey made of the kingdom in general, and in particular, of the value and extent of the royal domains ; and the institution of a court



the first place, they were no  
secondly, that in order to redress  
defect, a thousand subtilties were  
cure the advantages of succession  
the original proprietors. Hence  
reliefs, and other incidents, or  
incidents of the feudal tenure. Even  
monarchs, every proprietor of land  
assist his sovereign in war, without  
pence; and he was also subject to  
knowledgment to his immediate  
he first entered into the possession.  
But the various burdens of the tenure  
not completely established until a  
The whole kingdom was then divided  
knights fees; the holder of each  
not only bound to furnish a horse  
horseman, for the public defence,  
likewise liable to a variety of impositions  
light and easy, and apparently for the  
the vassal. but afterwards converted

The monarchy of England, was originally composed of seven independent kingdoms; the sovereign of each of which, was possessed of a considerable domain, in all the various districts of the heptarchy: and as, in consequence of that circumstance, the estates belonging to the crown of England, when the heptarchy was destroyed, were not only extensive in themselves, but dispersed and scattered over the whole face of the country, they were exposed to great diminution, and could hardly be preserved entire, unless frequently surveyed and distinguished from the property of individuals. It is certain, that Alfred completed a survey of that nature, which, for a long time, was carefully preserved at Winchester<sup>1</sup>. In imitation of so laudable an example, and, as some imagine, with a view of extending his feudal prerogatives over every district in the country, William began, and actually finished, a survey not only of the royal domains, but also of all the landed property of the kingdom, some of the northern counties alone excepted<sup>2</sup>. Six years were employed in this laborious undertaking. The fruit of it was, that ancient record, lately engraven at the public ex-

*Revenue in  
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2. *Doomsday book.*

<sup>1</sup> Hearne's *Life of Alfred*, p. 115.

<sup>2</sup> This survey, however, is not so complete as some authors pretend. Some cities and towns of note are not mentioned in it, and the greater part of the villages are omitted. It was principally intended to give the king a true account of his own lands and demesnes, and those held by his tenants *in capite*. Rapin, vol. i. p. 177. note 4.

English fondly imagined, that he would not only ingratiate himself with the sovereign, but would also enable him to reward his Norman followers, without any new tax or addition to his revenue, by distributing the large sums of money which he found means to obtain; and that by the possession of the treasures which he had amassed, which were not immediately discovered, that with money it was impossible for him to satisfy a king who had joined his standard in the conquest, and establishments in land, and not in money; and hence it is said, that the necessity of exasperating the Normans, driving them to rebellion, in order to have a pretence for distributing the estates among his friends and followers.

Taxes.

The income received by the Norman monarchs, as Lord Parson says, was Superior of all the lands in the

in addition to the great but uncertain revenue which he thus received, and the other sources above-mentioned, he joined the odious tax of Danegeld; at first, under the usual pretence of guarding the sea from pirates; but afterwards, in consequence of an attack he apprehended from Sueno King of Denmark, who intended, it was said, to vindicate his claim to the throne of England, with all the strength and forces of which he was master. During the reign of William, Danegeld varied from 1 s. to 6 s. *per hide*<sup>1</sup>, according to the exigencies of the crown. But the revival of so obnoxious an imposition, however plausible the grounds might be, on which it proceeded, gave much discontent, and greatly contributed to the frequent insurrections, by which his government was disturbed.

It is asserted also, by some ancient historians, that William extorted considerable sums of money from his subjects, without any legal pretence: and finding that many of the English, in terror of his exactions, had deposited their wealth in monasteries, he ordered them to be searched; and not only appropriated to his own use, all the money, jewels, plate, and other valuable effects, belonging to individuals, which were discovered there, but also seized the very shrines and chalices of the churches<sup>2</sup>: articles which were accounted so sacred

*Revenue in  
the time of  
the Normans.*

4. Tyrannical exactions.

<sup>1</sup> Matthew Paris says, that Danegeld was raised to 6 s. *per hide*, anno 1083. He calls it *gravissima pecuniarum exactio*, p. 10.

<sup>2</sup> Matthew Paris, Hist. Angl. folio edit. 1606, p. 10.

revenue in  
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and inviolable, in that superstitious age, that it is difficult to conceive, how a prince, who affected so much zeal for religion, could hazard such an attempt.

amount.

The amount of the Conqueror's income has been much disputed. *Ordericus Vitalis* says, that, besides all the casual profits of his feudal prerogatives, he enjoyed a revenue of about £. 400,000 *per annum* \*. This, in the opinion of two celebrated modern historians, is perfectly incredible, Hume remarks, that a pound of silver, in that age, contained three times the weight that it does at present; consequently £. 400,000 then was equal to £. 1,200,000 of our specie; and as any given sum of money would then purchase about ten times more of the necessaries of life than at present, the Conqueror, according to this calculation,

queror's income only into £. 5,000,000 of modern money, also contends, that ancient writers must have been greatly mistaken in their account of his wealth. For the revenue of England, he says, including Scotland and Ireland, does not yield so much, if we deduct what is levied for payment of the national debt\*. The subtraction of any thing on account of the interest paid to the public creditors, is a very inaccurate and unjustifiable position, because it arises from taxes levied on the subject, as much as any other part of the national income. But these two great authors seem to have carried their scepticism too far in this, as they have done in many other instances. It is probable, that both of them would have been equally incredulous, had they been told forty years ago, that Great Britain and Ireland could have raised in the year 1800, a revenue of above 30,000,000 *per annum*. After all, it is impossible totally to discredit the accounts of *Vitalis*, an historian who was born only nine years after the conquest, and consequently must have enjoyed better access to information, than any modern can pretend to. Indeed, without such an income, it would have been impossible for the kings of England, to have lived with such splendour and magnificence; to have bestowed such liberal donations on the church; to have carried on so many public works; to have engaged in so many expensive wars; and after all, to have left behind

*Revenue in  
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the Normans.*

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\* Gen. Hist. vol. i. p. 166.

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them such considerable treasures. Sixty thousand pounds in silver, equal to £. 900,000 of modern money<sup>a</sup>, was found in the Royal Treasury at Winchester, after the death of the Conqueror; besides gold, jewels, vestments, and other articles of great value: and as he died in Normandy, where he had also large sums of money hoarded up, (indeed it was his usual practice to carry a treasure about with him,) there is less reason to believe that the accounts given of his wealth and annual income, could be greatly exaggerated. Besides, *Vitalis* is so particular in the sum he mentions, stating not only the pounds, but even the number of farthings which William received; namely, £. 1,060 30 s. 2 d. a day (which is the mode of counting still used in the exchequer, instead of £. 1,061 10 s. &c.) that one would suppose his information was derived from authentic records, and was not

making such calculations, than to suppose that an ancient writer could be grossly mistaken in a plain matter of fact <sup>4</sup>.

*Revenue in  
the time of  
the Normans.*

## WILLIAM RUFUS.

The second son of William the Conqueror, called Rufus, or the Red, on account of the colour of his hair, succeeded to the throne of England, in consequence of his father's destination, the remissness of his brother Robert, his own activity, and the attachment of Lanfranc, Archbishop of Canterbury, by whom he had been educated, and who possessed great weight and authority with the English. The thirteen years during which this tyrant governed England, was a perpetual series of extortions, of which the church in particular had great reason to complain. It was an usual practice with him, when any bishopric or abbey became vacant, to seize all its temporalities, and to farm them out to his favourites, or to those who made him the highest offer; and when any circumstance induced him to fill the vacancy, he

<sup>4</sup> The conqueror's income must have arisen, first, from the tax of Danegeld, which at 6 s. per hide would produce £. 73,080; and secondly, from the rents of his domains, which, it is more than probable, would make up the deficiency. This is a point, however, which must soon be ascertained, as our antiquaries will now be able, from the publication of *Domesday-book*, fully to explain the value of the Royal Domains, and the income which they produced.

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vacant by the death of Rufus was lost in taking every step purpose. The regalia, and the kept at Winchester, were first to A council was hastily assembled whom his title to the crown was in less than three days after his ceremony of his coronation at Westminster, by Maurice Bishop whose whole was conducted in a manner us with a favourable idea of abilities.

As Henry's title to the throne questionable, he found it necessary, in the affections of his subjects, to present government very different from the other: accordingly, soon after his death, he granted a charter, which contained highly favourable to the liberties. It was the basis on which *Magna Carta* was founded; and it fully proves, a

Though this king is, in general, represented by our historians in a very advantageous light, yet he is accused of having occasionally forgotten his engagements to the public. Contrary to an express clause of the charter he had granted, he seized the temporalities of the archbishopric of Canterbury, sold the woods belonging to it, plundered the tenants, and kept possession of its revenues for above five years. His levying 3s. on every hide of land, when his daughter Matilda was married to Henry IV. Emperor of Germany, may be justified upon feudal principles; but the specific sum he demanded (amounting, it is supposed, to about £.800,000 of modern currency) was to the greatest degree oppressive<sup>b</sup>. The exactions of this monarch, however, are to be attributed, principally to his great anxiety, at first to acquire, and afterwards to preserve the duchy of Normandy; a re-union with which, many of his English subjects considered to be essential. In the fifth year of his reign, they were particularly oppressed to raise a sum of money for defraying the charges of an expedition to the continent, upon which the possession of that duchy depended. A tax was laid even upon churches; and every incumbent was made answerable for the rate at which his parish-church was assessed<sup>c</sup>. Many heavy taxes were

*Revenue in  
the time of  
the Normans.*

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<sup>b</sup> Brady, vol. ii. p. 270.

<sup>c</sup> During the rage of this oppression, Henry was met, in his road to London, by two hundred parish priests in their surplices,

# HISTORY OF THE PUBLIC REVENUE Part I.

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Normans.

were also laid on, in the seventeenth year of his reign, in consequence of a war he was obliged to carry on against the king of France, for the security of Normandy<sup>k</sup>.

The reign of Henry is distinguished by a very important alteration in regard to his revenue. We are informed by *Gervas of Tilbury*, in his famous Dialogue on the Exchequer<sup>l</sup>, that the rents of the Royal Domains, for many years after the Norman Conquest, were principally paid in kind; and that, in the reign of this monarch, they were converted into money<sup>m</sup>. As Henry lived much in Normandy, and was engaged in many foreign expeditions, money was particularly convenient to him; and in consequence of the scarcity of specie at that time, the conversion was made on terms highly favourable to the vassal, an ox being only valued at 1 s. and a sheep at 4 d. Both par-

for it not a little diminished, at an after-period, the relative value and amount of the royal income; and greatly contributed to the future poverty and necessities of the crown.

*Revenue in  
the time of  
the Normans.*

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## STEPHEN.

The attempt of Stephen to seat himself upon the throne of England, is one of the boldest enterprises recorded in history. He was the grandson, it is true, of William the Conqueror, whose daughter Adela had been married to his father the Earl of Blois, but he was the third son of that marriage; and, as both his elder brothers were living, he had no hereditary claim to the succession. He opposed the daughter of a sovereign who had long reigned over the English; and whose government, though sometimes harsh and oppressive, was in general popular. His rival, the empress Matilda, indisputably represented the Norman, and had some pretensions to the inheritance of the Saxon sovereigns of England. Nor could he trust to the effects of his lavish promises to the English nation, of maintaining a strict regard to the preservation of their rights and privileges; for having abandoned the solemn engagements he had contracted, to support the empress in her succession to her father, it was natural to suppose, that he could not be depended on to fulfil any other obligation. But such was the unsettled state of succession to the crown; so much were the people  
of

of that age delighted with bold and daring enterprizes, and so attached to men of gallantry and spirit, that Stephen found his attempts successful beyond his most sanguine expectations. He was anointed king of England soon after his arrival, and assumed the exercise of the royal authority with hardly any opposition.

The reign of this monarch passed in perpetual war and civil bloodshed. During the whole period, the nation is represented to have been in a state the most deplorable. Some forsook their native country, to avoid the miseries under which it groaned. A multitude of foreign mercenaries, brought over by Stephen to assist him in his usurpation, and to support his authority, spread horror and devastation wherever they went. Many who had lived in opulence, were glad to shelter themselves in the meanest cottages, and to feed

just title, or had he enjoyed the undisturbed possession and government of the country°.

*Revenue in  
the time of  
the Normans.*

Stephen had promised on his coronation day, for ever to remit the odious tax of Danegeld; but the necessity of his affairs compelled him to exact it, notwithstanding his oath, and a charter which he had granted. It was the only regular tax he imposed. For during the greatest part of his reign, the only means he had of supporting his troops, and maintaining his dignity, was by plunder and extortion. He is also accused of having alienated the demesnes of the crown, of having debased the coin, and of selling to the highest bidder, honours, offices, dignities, and benefices in the church, the last pitiful resource of a profuse and indigent monarch°.

It appears from this chapter, what little progress had been made in the knowledge of finance, from the Norman invasion to the death of Stephen. During the whole period, it was understood, that the king should live upon his own domains, and the profits of his feudal prerogatives; and every species of taxation (military services only excepted) was the object of aversion and disgust. Danegeld, the only regular tax that existed at the time, though perhaps necessary for the protection of the commerce of the nation, was considered as

° Hume, vol. i. p. 369.

° The office of chancellor was sold for £. 3006 13 s. 4 d. to one Galfridus, Mad. i. p. 62. An. 1140.

venue in  
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Normans.

so peculiarly severe, that every monarch, who attempted to levy it, was accounted a tyrant and an oppressor, and that single tax occasioned as many complaints, and as great an outcry, as the whole load of multifarious imposts, to which this country is at present subject.

## CHAP. VI.

*Of the Revenue of England, during the Saxon Line,  
or House of Plantagenet.*

venue of  
England  
during the  
Saxon Line.

THE history of England, and indeed of every other country subject to a monarchical form of government, clearly demonstrates, the manifold

promises, and such support, that Stephen vindicated his pretensions to the crown of England, to which another was legally intitled; at least, if the immediate descendants of William the Norman had a right to the sovereignty.

*Revenue of  
England  
during the  
Saxon Line.*

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But Henry II. not only claimed the crown, as lineally descended from the Conqueror, but also as in some measure<sup>1</sup> representing the Saxon monarchs of England. His mother, the empress Matilda, was descended from Edmund Ironside, the last of the Saxon race who left any posterity. Edmund's son, known by the name of Edward the Outlaw, had two children, Edgar Etheling, who died without issue, and Margaret, in whom the Saxon hereditary right consequently resided. By her husband, Malcolm king of Scotland, she had several children, and among the rest, Matilda, the wife of Henry I. who, by him, had the empress Maud, mother of Henry II.—At the same time, it must be acknowledged, that he could not claim an hereditary right to the kingdom, by a regular course of succession from the Saxon family; for the sons of Margaret unquestionably inherited her rights in preference to her daughter, and consequently her title to the crown devolved on her grandson David king of Scotland: however, Henry's connexion with the royal Saxon family was such, that it endeared him not a little to the

<sup>1</sup> Black. vol. i. p. 201. Lytt. vol. i. p. 223. Matthew Paris traces his Saxon genealogy from the Flood, p. 90.



revenue of  
England  
during the  
reign of  
the  
Norman Line.

purpose. Little difficulty was found in resuming the grants made by Stephen, whose necessities had compelled him to alienate the royal domains in a manner not to be justified. But those which had been given by the empress, and with which she had recompensed the greatest and most meritorious services to herself and family, her adherents scrupled to restore. Henry, however, was determined to make no distinction; and, after some opposition, actually recovered the possession of all the landed property which Henry I. had enjoyed; those lands only excepted, that had been granted to the church, which that powerful and politic body, in the original treaty of Winchester, had taken care to secure.

calculated for the exigencies of those foreign wars, which the crown of England was so frequently engaged in at that time, in consequence of its continental possessions<sup>†</sup>.

*Revenue of  
England  
during the  
Saxon Lane.*

Henry, it is probable, had the merit of first discovering a remedy for this defect. It was originally attempted in the second year of his reign, when, in order to carry on a war against the Welsh, he laid a duty, or *scutage*, as it was called, of 20s. for each knight's fee, upon the estates of those prelates who were bound to military services<sup>‡</sup>. Many scutages were afterwards levied in the course of his reign. In particular, one for carrying on the war of Toulouse, which amounted to the sum of £. 180,000, equal to £. 2,700,000 of modern money<sup>§</sup>. This commutation, though heavy, was, on the whole, less burdensome to the vassals of the crown, than to perform their services in person. For, besides the expence of going to war in a distant country, and returning from it, at their own charges, when the campaign was over, their affairs at home were neglected, their estates were suffered to lie waste, and thus, in addition to the hazards of war, they were subject to a thousand domestic inconveniences. It was a plan, at the same time, attended with much advantage to the crown; as instead of troops, though brave, yet disorderly and untract-

*Origin of  
scutage.*

<sup>†</sup> Lytt. Hist. vol. ii. p. 429.

<sup>‡</sup> Maddox's Hist. of Excheq. p. 435.

<sup>§</sup> Lytt. Hist. vol. ii. p. 429.

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able, it was thus enabled to purchase the services of real soldiers, equally martial and better disciplined <sup>v</sup>.

A tax on  
personal  
property.

But the religious zeal, so prevalent at that time, gave rise to a new imposition, with which England had been hitherto unacquainted <sup>2</sup>. It was a tax on personal property, and it was levied in a very singular manner. A chest was erected in the different churches, into which every man, after having taken an oath, and justly summed up the value of his effects, and the debts of which he had a certainty of being paid, was obliged to put in 2d. in the pound for the first year, and 1d. in the pound for the four following years, under the penalty of his breaking his oath, and incurring the sentence of excommunication denounced against those who acted fraudulently <sup>3</sup>. This was the first

came necessary<sup>b</sup>. For in that year, intelligence arrived from Palestine, that Jerusalem, the darling conquest of the christian world, had been taken by Saladine, the sultan of Egypt, and that he was preparing to drive the worshippers of the cross from their remaining possessions in Asia. The greatest potentates in Europe, alarmed at the news, confederated together, to check the progress of so formidable a conqueror, and, if possible, to recover the holy city from the hands of the infidels. Not only Henry, but the emperor Frederic I. and Philip, king of France, determined, with their united forces, to engage in this crusade. A council of the bishops and nobility of England was soon after held, to consider of the best means to raise the necessary supplies; and at last it was determined, to levy a tax of a tenth part of all the personal property of those, who, remaining at home, took no share in so pious an enterprize. This, which is the first instance of a tenth being exacted, was called the *Saladine Tithe*, from the name of the gallant Mussulman, whose valour gave rise to this imposition<sup>c</sup>: it is said, that the English paid above £. 70,000, and the Jews in England about £. 60,000, as their respective proportions of the tax, which, when joined together, was equal to about 2,000,000 of modern money. The disproportion was very great: but it is to be considered, that none of the Jews were exempted;

*Revenue of  
England  
during the  
Saxon Line.*

<sup>b</sup> 35 Hen. 2. See Hoveden, p. 366.

<sup>c</sup> Carte, vol. i. p. 719.

whereas

# HISTORY OF THE PUBLIC REVENUE Part I.

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whereas many of the wealthiest of the English, in consequence of their having taken the cross, pleaded immunity from the impost. Nay, the greater part of the regular clergy were freed from the burden, contending that they were obliged by their prayers only to assist the crusade, their lands being held in *frank almoigne*, a tenure which exempted them from all duties but religious exercises.

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re.

In the thirteenth year of his reign, Henry, having married his daughter Matilda, to the duke of Saxony, levied an aid from his subjects, to enable him to give her a portion adequate to her rank, and that of her husband. The tax amounted to one mark for each knight's fee. It was paid by the several knights and barons holding of the crown *in capite*, according to the number of their

difficult, however, at once, totally to abandon so considerable a branch of the royal income; and there is reason to believe, that it was occasionally levied, particularly in the thirteenth and twentieth years of Henry's reign, and probably in the twenty-first, when writs of summons, for that purpose, were issued out of the exchequer.

*Revenue of  
England  
during the  
Saxon Line.*

Some authors have accused this monarch of pillaging the possessions of the church; of executing, with the greatest rigour, the harsh regulations of the forest laws; and of reviving the old Saxon taxes of *Burg-bote*, *Brig-bote*, *Heregeld*, and *Horn-geld*<sup>f</sup>. But, on the whole, there seems to have been little reason to complain of the general tenor of his government; and it is recorded, much to his honour, that having been for some time absent from England, and finding, upon his return, that great abuses had taken place in the collection of his revenues, and indeed in the administration of justice, he appointed a commission of some of the most respectable of his subjects, to inquire fully into the grievances that were complained of; and, in consequence of their report, many of the sheriffs, and other officers of the crown, were removed, and obliged to give satisfaction, not only to the king, but to any private individuals who were injured<sup>g</sup>.

The amount of the treasure which Henry left behind him, is a point about which historians

*Treasure.*

<sup>f</sup> Stevens, p. 34.

<sup>g</sup> Lytt, Hist. vol. iv. p. 292.  
differ.

must have carried on the war, in the  
his reign, with more spirit, and with  
and would not have been reduced  
before he died, to the hard necessity  
treaty, which imposed terms equally  
disgraceful, and which tarnished all the  
renown he had formerly acquired.

## RICHARD I.

The reigns of heroes, or of martial  
however advantageous to the military  
yet are uniformly destructive to the people  
baneful to the commercial interests.  
The subjects of such monarchs, though  
uninterested in the success of the wars in  
are engaged; and though, if successful  
wholly centers in the sovereign, yet as  
necessity of defraying the heavy load  
which the wildness of their ambition --

thus the solid interests of a nation are sacrificed, to gratify the pride, to indulge the passions, and to promote the aggrandizement, of one arrogant or vain-glorious individual. Notwithstanding these circumstances, the reign of *Richard Cœur de Lion*, or the Lion-hearted, is a favourite one with the English reader, who fondly fancies, that, by his valour, the fame of England was established in the most distant corners of the east.

*Revenue of  
England  
during the  
Saxon Line.*

The preparations made by Richard for his expedition, are a full proof of that monarch's zeal for the enterprize he had undertaken; and indeed if his subjects had not entered into it with the same alacrity, they could hardly have suffered him to take steps of so oppressive and dangerous a nature. Every means that could be invented for raising money, was adopted without hesitation. The crown lands, and offices of the greatest trust and power, were disposed of, almost at any price. The feudal superiority of Scotland was sold for 10,000 marks. Arbitrary fines were levied from the officers of the crown, under the pretence of delinquency. The rich, who had escaped other modes of extortion, were compelled to supply the king with money by way of loan, without any hope of being repaid. Nay, under colour that the great seal was lost, former grants were held to be invalid; a new seal was made, and every person was obliged to purchase a renewal and confirmation of his grant. It is said, that, by these and other means of exaction equally odious, so much money

*The Crusade.*

was



every person in the least conversant with English history. Leopold, duke of Austria, emperor of Germany, by whom I was imprisoned, having demanded the exorbitant sum of 156,000 marks for his release, and laid upon his subjects, in aid of the ransom, a tax to which the vassals of the crown were accustomed by the nature of their tenures. England recovered the loss of specie, which was lost by Richard's former extortions, and that he carried with him to Asia. Money was scarce in Europe, and the sum of England was inconsiderable, and specie was not easily procured; and with the utmost difficulty, that the sum of 100,000 marks was made, though notwithstanding the variety of taxes which they at that time, vied with each other in levying, they should pay in the greatest contributions for the ransom of their sovereign.

From the return of Richard, to his death, his reign was a perpetual series of war abroad, and of extortion at home; principally, however, occasioned by the attempts of Philip Augustus, king of France, to conquer the dominions of England on the continent. In consequence of the enterprises of that formidable enemy, joined to the heavy ransom he had been obliged to pay, he was reduced to the necessity of cancelling all the contracts he had entered into, previous to his Asiatic expedition; and of resuming all the offices, together with such of the crown lands as were purchased at that time. The whole body of the clergy also, but more particularly the Cistercian monks, were obliged to pay considerable sums of money to supply the king's necessities; and at this period, we first hear of wool being taken in kind, for the purposes of revenue. In the tenth year of his reign, Danegeld likewise, under the less obnoxious name of Hydage, was levied at the rate of 5 s. *per* hide<sup>a</sup>.

*Revenue of  
England  
during the  
Saxon Line.*  
Extortions.

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silver. Jervase of Canterbury, 150,000 marks. M. Paris, p. 167, 140,000 marks of silver. The MS. Chronicle at Chester, 160,000 marks. But Hoveden, p. 415, gives us a copy of the agreement, from which it appears, that 100,000 marks were paid down, and that, for the remaining 50,000, hostages were to be given, but the payment was conditional. 100,000 marks was equal to £. 194,000 of modern money. Folkes on Coins, p. 6. note.

<sup>a</sup> Stevens, p. 40.

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*Revenue of  
England  
during the  
Saxon Line.*

**Licenses.**

It is not a little singular, that the reign of this monarch should furnish an example of raising a revenue by means of licenses; a mode which, in modern times, has become so prevalent. Necessity, however, is the parent of invention; and considering the difficulties to which Richard and his ministers were reduced, it is not to be wondered at, that they should make this important discovery. At the period we are now writing of, it is well known, that, for the better exercising of the people in the arts of war, jousts and tournaments were encouraged, and they naturally became fashionable in so martial an age. But, with a view of rendering that practice profitable to the exchequer also, it was enacted, by Richard, that every person should pay for a license before he engaged in such exercises, according to the following rates: every earl, 20 marks of silver; every baron, 10 marks; every knight, having lands, 4 marks; and such as had no lands, two marks. No person under the rank of a knight was permitted to enter the lists<sup>a</sup>.

**Amount.**

It is related by Hoveden, a very respectable ancient historian, that, in the space of two years, 1,100,000 marks, equal to £.753,332 sterling, or £.376,666 *per annum*, had been collected for public services<sup>o</sup>. This sum, Hume supposes to

<sup>a</sup> Carte, vol. i. p. 764.

<sup>o</sup> Hoveden, folio edit. p. 437, *anno* 1196.

be totally incredible<sup>p</sup>. But it is stated upon the authority of Hubert, archbishop of Canterbury, who had inspected the records, and examined the public accounts, to discover the real amount; and it is to be observed, that this was not the annual income of the crown, but comprized the various sums which had been extorted to carry on the war against Philip, and perhaps the money which the English had paid, either in the shape of taxes, or of voluntary contributions, for the redemption of their captive sovereign.

*Revenue of  
England  
during the  
Saxon Line.*

## J O H N.

This despicable and odious tyrant, whose history it is impossible to contemplate without a mixture of disgust, indignation, and horror, claimed the crown, as next of kin to the deceased king, of whom he was the only surviving brother. But the English had soon reason to regret the support they gave him, in opposition to the pretensions of Arthur, and of his sister Eleanor, the children of Geoffrey, who was next brother to Richard, and whose descendants, therefore, by the right of representation, were entitled to the throne. To remove so dangerous a rival as Arthur, who had

<sup>p</sup> Vol. ii. p. 38. See also Carte, vol. i. p. 769; and Davenant, vol. iii. p. 74, who supposes the sum equal to £. 11,000,000 of modern money.

# HISTORY OF THE PUBLIC REVENUE Part I.

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displayed, at an early period of life, spirit, and abilities beyond his years, every art that treachery could invent, or barbarity could execute, was put in practice by his inhuman uncle; and it is supposed, that this obstacle to his ambition, which no other person had the cruelty to remove, was murdered by his own hands<sup>9</sup>. By the death of this unfortunate prince, and Eleanor's captivity and imprisonment, he flattered himself, that his government was established on a rock, which could not easily be shaken. Instead of which, abroad, he lost the ancient patrimony of his family on the Continent; and, at home, passed a life of misery, turbulence, and disgrace.

extor-  
 3.

Neither the clergy nor the laity were exempted from his rapacity. In the twelfth year of his reign, he is said to have exacted £. 140,000 from the church. In his thirteenth year, 100,000

pulled or beat out every day, until this exorbitant sum was paid, which the unhappy Israelite was at last compelled to do on the eighth day, after seven of his teeth had been struck out\*.

*Revenue of  
England  
during the  
Saxon Line.*

The only circumstance, which can prove in any respect agreeable to the reader, during the whole course of his reign, is the confirmation, extorted from this monarch with considerable difficulty, of the rights and liberties of the people of this country, in the deed so emphatically named, The Great Charter of the Liberties of England†. By this important instrument, a variety of regulations were enacted, favourable to the vassals of the crown, by which the pecuniary burdens of the feudal law were considerably diminished; and by the 14th, 15th, and 16th articles it was declared, that no scutage or aid should be imposed on the kingdom in general, and in particular on the city of London, or any of the other cities, towns, or boroughs of the kingdom, unless with the consent of the common council of the realm, excepting for ransoming the king's person, making his eldest son a knight, or marrying his eldest daughter; and even then, only a reasonable aid was to be demanded: and by another clause, fines and amerciaments, which had formerly been very grievous and oppressive, were restricted within proper

*Magna  
Charta.*

\* M. Paris, p. 220. Tovey's *Anglia Judaica*, p. 70. *Madox Excheq.* p. 151.

† See the famous *Petition of Right*, clause 3.

Magna Charta, that some duties on goods at that time, and had been. The merchants were to trade, " *tolitis.*" But, at the same time which they dealt, were to pay only " *quas et rectas consuetudines.*" And equitable duties were, is now understood must have been very inconsiderable in farm, in the fourth year of only 1000 marks<sup>u</sup>.

John continued the dangerous policy by his brother Richard, of selling the crown. Nay, he ventured his high employment of chancellor during his life, for only 5000 marks

<sup>u</sup> An. 1202. See Madox, p. 529. p. 530. that the customs of all England, from its principal fairs, amounted only to the fast of St. Margaret in the fourth, and drew in the sixth year of this monarch's

## H E N R Y III.

At the age of nine years, Henry III. inherited the crown of England. He mounted the throne, at a time when the greatest experience, and the most splendid abilities, were necessary, to preserve the kingdom from the ruinous consequences of intestine wars and foreign invasion. Fortunately, William Earl of Pembroke, the Marischal of England, and consequently by his office, in times of such turbulence and confusion, at the head of the government, was possessed of virtue and abilities adequate to so dangerous a crisis; and, by means of his prudence, vigour, and exertions, and the return of many of those barons to their allegiance, who, from hatred to their late monarch, had thrown themselves into the arms of France, Henry at last acquired the peaceable possession of his dominions, both in England, and on the continent.

*Reigns of  
England  
during the  
Saxon Line.*

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The reign of this monarch, which lasted upwards of fifty-six years, is the longest in the annals of this country. Unfortunately, it cannot boast of splendour equal to its duration: it was neither happy at home, nor respectable abroad. His subjects complained of the weakness of his government, of his rapacity and profusion; whilst his enemies had no reason to tremble at the vigour or abilities of their opponent. Henry's character, perfectly well adapted to the still life of a private citizen,



*per annum* \*, and he was not so means of making up the deficiency

It would be trespassing upon patience, to attempt an enumeration of scutages, aids, talliages, carrenths, fifteenths, benevolences, &c. king, by different means, and exactions, obtained, or extorted from the course of his long administration to have taken 400,000 marks. His expences in a vain attempt for his second son, are said by some to have amounted to 950,000 marks. In the third year of his reign, he was in the greatest necessity. And when France, who was not perfectly right to Normandy and Anjou, gave him 300,000 livres Tournois, and a pension of 20,000 livres *per annum*. He claimed to the sovereignty of those

for that trifling consideration, he renounced all his pretensions to the ancient patrimony of his family, and ever after, struck out from his other titles, those of duke of Normandy, and earl of Anjou. To this king and his ministers may be attributed a new device to raise a revenue, of which his successors afterwards, availed themselves. The mode was, to compel every one who possessed fifteen or twenty pounds a-year in landed property holden of the crown, either to take the order of knighthood, or to pay a certain sum of money in its stead, by way of composition. This was a sure mode of raising money; for those who did not compound, were obliged to pay considerable fees at their creation, which all went into the exchequer.

*Revenue of  
England  
during the  
Saxon Line.*

The miserable state to which Henry was reduced, is sufficient, one should imagine, to deter any monarch from imitating his extravagance and profusion. He found the utmost difficulty to pay his eldest son Edward, the small pittance of 15,000 marks *per annum*, for his support. His debts, amounting to about £. 300,000 he was totally unable to discharge. In order to raise money, he was obliged to sell the very furniture of his palace; to pawn the jewels of the crown; nay, the shrine of St. Edward the Confessor, for whom he had always expressed the highest veneration\*. He is represented as wandering about the country, soli-

*Conse-  
quences of  
his profu-  
sion.*

\* Noy's Rights of the Crown, chap. viii. Stevens, p. 70.

of, as contrary to Magna Charta,  
be attended with an apparent ove  
a proof how much people are a  
the lightest burdens, and indeed  
able the commerce carried on by  
time must have been.

## EDWARD

Edward the First, the great  
laws, and hence called the Engli  
one of the wisest and most fortun  
ever sat upon the throne of En  
were united, the prudence and  
statesman and legislator, with the  
naninious spirit of the hero<sup>f</sup>.

<sup>b</sup> Stevens, Pref. p. 31.

<sup>c</sup> Hume, vol. ii. p. 228.

<sup>d</sup> Hume, vol. ii. p. 170. Note C.

wars, and the variety of important enterprizes in which he was engaged, occasioned the levying of many taxes, and sometimes gave rise to oppressions, of which his subjects had some reason to complain: but the money he exacted from them, was uniformly expended for the honour and benefit of his kingdom; and the laws which he proposed, or to which he gave his consent, first extended that commerce, confirmed those liberties, and established that constitution, on which the future happiness of this country depended.

*Revenue of  
England  
during the  
Saxon Line.*

Among the other great transactions by which the reign of this monarch is distinguished, the final establishment of Magna Charta, together with some important additional articles, and a full and complete confirmation of the famous statute "*de tallagio non concedendo*," are entitled to particular attention. The former (Magna Charta) had already been frequently confirmed by the different monarchs, who, since the first passing of that important deed, had sat upon the throne; but it was still thought requisite to have that solemnity again repeated. The latter was rendered necessary, in

*Confirmation  
of  
Magna  
Charta, and  
of the sta-  
tute de Tal-  
lagio non  
concedendo.*

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survey of the kingdom, on an extensive scale, was instituted and completed in the reign of Edward, and that the surveys of four counties, namely Lincoln, Oxford, Huntingdon, and Cambridge, have been discovered in the records of the Tower of London. How creditable was it for this distinguished sovereign to accomplish such an undertaking, and how disgraceful to the present times, that we do not preserve such valuable documents from destruction.

conf-

the statute above-mentioned, *ne  
 whatsoever*, could be demanded,  
 sent and approbation of parlia-  
 portant concession, in the words  
 “ English nation had the honour  
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at his accession to the throne, in the third year of his reign they were made subject to a poll-tax of 3d. each, without any exception on account of poverty, sex, or age<sup>1</sup>. In the fourth year, the tax was raised to 5d. a head; but in the eighteenth year, the whole nation was sentenced to perpetual exile by act of parliament. All their property was confiscated for the use of the crown; many were hanged under various pretences; in particular two hundred-and-eighty in one day, who were accused of having adulterated the coin; and above fifteen thousand were plundered of all their wealth, and banished the kingdom<sup>2</sup>. So odious were the Jews at that time to the nation in general, that the laity granted the king a fifteenth, and the clergy a tenth of their personal estates, for consenting to, and perhaps encouraging their expulsion<sup>3</sup>.

*Revenue of  
England  
during the  
Saxon Line.*

Anno 1290.

But Edward's conduct to the clergy soon convinced them, that attachment to the superstition prevalent at that time, had no share in rendering him so great an oppressor of the Jewish race. The church, from the beginning, had some reason to be afraid, that a monarch so high-spirited and so ambitious as Edward, would be frequently under the necessity of applying to it for pecuniary assistance; and the clergy were not a little alarmed, when, in the sixteenth year of his reign, he gave orders to

*Exactions  
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church.*

<sup>1</sup> Stevens, p. 79.

<sup>2</sup> Tovey's *Anglia Judaica*, p. 232. Hume's *Hist.* vol. ii. p. 236.

<sup>3</sup> Stevens, p. 84.

papal throne, issued a bull, prohibiting to levy any taxes upon the clergy, men to pay any imposition, without the sanction of the Pope. Edward was determined to take the most vigorous measures, to put an end to making this application, and to renounce any benefit it could procure. He put the whole church out of his consideration, and declared that those who refused to submit to civil government, were not entitled to any advantage from it. The judges would not suffer any person to harass or oppress the church with impunity; whilst, on the other hand, the royal law would give them any redress they could last prevailed in the contest: the church was either contemned or evaded, and the king was glad, almost on any terms, to give up the royal protection, and to enjoy the peace of the laws<sup>m</sup>.

Thus the church was made fit to be governed by the power; nor was it afterwards the

Taxes on the exportation and importation of goods, became, in the reign of this monarch, an important branch of the revenue. It is probable that customs were at first only small duties, levied at ferries and bridges, and, perhaps, for the liberty of trafficking on the Thames, together with fees for weighing and warehousing of goods, which the officers of the crown exacted for their labour and attendance. These trifling exactions might gradually take place, without the sanction of parliament, in consequence of the king (who was accounted the arbiter of commerce) having provided weights and beams, and erected warehouses, where, subject to certain customary fees and duties (thence called customs), all goods and commodities might be sold <sup>a</sup>.

*Revenue of  
England  
during the  
Saxon Line.*  
Customs.

But Edward I. was not satisfied with such petty advantages: for having seen, during the course of his expedition to Palestine, with what facility considerable sums of money were levied, by way of custom, in foreign countries, he thought it would be a happy expedient for raising a revenue in his own kingdom. The first duties laid on, however, were very moderate, amounting only to 6 s. 8 d. on every sack of wool exported; and the like sum for every three hundred wool-fells; and a mark, or 13 s. 4 d. for every last of hides, at the rate of twelve dozen *per* last <sup>o</sup>. These duties, lord Coke imagines, were granted by parliament in the third

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<sup>a</sup>. Gilb. Hist. of the Exchequer, chap. xv.

<sup>o</sup> Madox, p. 536. Forster on the Customs, Introd. p. 14.

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# HISTORY OF THE PUBLIC REVENUE Part I.

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year of his reign; and, though the record is now lost, it is evidently referred to in a subsequent act (25 Edw. I. c. 7.); in which notice is taken of the customs on wool, skins, and leather, formerly granted to that monarch, by the commonalty of the kingdom<sup>r</sup>.

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Edward's necessities however demanded a more productive revenue: and he began with additional duties on aliens or foreign merchants, wisely conjecturing, that any taxes they were willing to pay, might afterwards be extended with less difficulty to his own subjects. He granted, therefore, a charter (entitled *Charta Mercatoria*) to the merchant strangers settled in England, by which certain valuable privileges were bestowed on them, in consideration of their having agreed to pay the following customs. 1. In lieu of the duty called *Prisage*, the sum of 2s. for every tun of wine im-

were formerly subject. These rates were called *Nova Custuma*, and sometimes *Alien duties*; and were levied by the authority of the crown, without the sanction of parliament, in consequence of the voluntary consent that was given by the foreign merchants<sup>1</sup>. In the third of Edward II. however, this charter was suspended; and it was totally repealed in the fifth of Edward II. by the lords, who at that time were entrusted with the government of the country; but it was again established in the reign of Edward III.<sup>2</sup>, and in fact it is the foundation of the duties of tunnage and poundage, so famous in the history of England.

*Revenue of  
England  
during the  
Saxon Line.*

Such were the customs paid by aliens in the reign of this monarch. As to the native merchants of the country, it was always the policy of England to give them superior advantages for carrying on their commerce; and as the *Nova Custuma* above-mentioned, were founded upon an agreement between Edward and the foreign merchants, the legality of which the commons were much disposed to question, there is every reason to believe, that the natives of the country were not at all affected by these new impositions. Here it may be proper to remark, that, *anno* 1298, the duty upon wool exported had been raised by Edward to 40*s.* *per* sack, an increase grievously complained of; not only as it was laid on by the authority of the crown alone, but was in itself too high<sup>3</sup>. The right of adding to the old, or of levying new

<sup>1</sup> Forst. p. 26.

<sup>2</sup> 27 Edward III.

<sup>3</sup> Stevens, p. 96.  
customs

## HISTORY OF THE PUBLIC REVENUE Part I.

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customs, came at length to be a matter of such public importance, that, for many years, it was warmly contested between the crown and the people. But since the forty-fifth of Edward III. and eleventh of Richard II. chap. 9. it has been generally held, that no imposition whatever can be levied, either on exports or imports, without the consent of parliament<sup>t</sup>.

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The discovery of some valuable mines in Devonshire, also tended to enrich this monarch<sup>u</sup>. It is on record, that within three years from their being first discovered, about 1700 pounds weight of silver were extracted from them; and it is probable that, afterwards, they would produce more, in consequence of a greater number of workmen having been employed.

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From the conquest to the æra we are now considering, the usual mode of levying the money for

the number of fees with which each person ought to be charged. And when a small number was once accepted of, it was considered to be a binding precedent for the future<sup>2</sup>. Thus the crown was deprived of the military services of its vassals; was defrauded of the compensation to which it was justly entitled; and was reduced to the necessity of providing some other means for the public defence. Some scutages, however, were levied during the reign of Edward: indeed so prudent a monarch, could never have entirely relinquished an old and established mode of taxation, until he had known, by experience, that a more productive system of revenue could be carried into effect.

*Revenue of  
England  
during the  
Saxon Line.*

In the meanwhile, a new description of persons attracted the attention of the sovereign. For many years posterior to the conquest, the possessors of lands were the only rich and powerful individuals in the community: but, in process of time, towns came to be emancipated from their former subordination and dependence; their citizens became industrious and opulent; they engrossed a considerable share of the wealth and property of the country; the smallest portion of which they were unwilling to part with, unless with their own consent. Originally the principal towns in England were included in the royal domains, and the crown was entitled to impose talliages or taxes upon them, whenever it thought proper. The city of London

<sup>2</sup> Hume, vol. ii. p. 278.

venue of  
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itself was in that predicament; and, after some contest, whether it was talliable or not, in the thirty-ninth of Henry III. was compelled to pay a talliage of 3000 marks assessed upon it by the king and his council<sup>r</sup>. But when the famous statute *de tallagio non concedendo*, passed into a law, there was an end of that prerogative; and it was necessary for the crown, if it wished to reap any pecuniary advantage from the opulence of the towns and boroughs, to assemble their deputies together, and to endeavour, through their medium, to obtain the supplies necessary for the exigencies of the state. Hence arose the practice of regularly summoning the representatives of boroughs to parliament, which had occasionally taken place before the reign of Edward, but since his time has never been interrupted. Brady and Hume consider the twenty-third year of the reign of Edward

Those who look upon themselves as the warmest friends of public liberty, cannot bear, with patience, that the commons house of parliament had not acquired, at an earlier æra, its full dignity and importance. The period of above five hundred years, which has now elapsed since the twenty-fifth of Edward I., does not alleviate their anxiety, or satisfy their zeal. They wish to trace the origin even of burghal representation, throughout all the dark labyrinths of Saxon and Norman antiquities. The natural prejudices of a free country, it is always disagreeable and often dangerous to oppose: but it may surely be remarked, without giving the most ardent friend to ancient liberty the smallest offence, that if taxation and representation are so inseparably connected, as some political writers are desirous of inculcating, boroughs could have no representatives in the earlier part of the English history; for this plain reason, that they were not liable to parliamentary taxes. For, above a hundred years after the Norman invasion, no tax was laid upon personal effects, by which alone the boroughs could be materially affected. Indeed, before the reign of Edward I. or, at least, of Henry III. very few instances occur of impositions upon personal property. Whatever right therefore the towns and boroughs originally might have, in consequence of the free principles of the Saxon government, to partake in the legislative power of the country, it is certain, that, for many years after the conquest, it was unnecessary for them to

*Revenue of  
England  
during the  
Saxon Line.*

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venue of  
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be loaded with the burden and expence of sending representatives. Instead, therefore, of carrying on so abstruse, and, after the lapse of such a number of years, so unimportant a controversy, it were better to contend, who should pay the sincerest tribute of gratitude, to those patriots, whose exertions established the rights and privileges of England. It ought ever to be remembered, that, to the zeal and prudence of Langton, archbishop of Canterbury, the great charter was principally owing; and that, to the undaunted spirit, and manly perseverance, of Humphry Bohun, earl of Hereford, the constable, and of Roger Bigod, earl of Norfolk, the marishal of England, the passing of that statute ought to be attributed, which, by annihilating for ever the royal prerogative of imposing arbitrary taxes upon the subject,

Edward's misconduct in government, and his attachment to unworthy favourites, did not entitle him to any great pecuniary assistance from his people, they had some little consolation in the lightness of their taxes, for the disgraceful calamities of his unfortunate reign.

*Revenue of  
England  
during the  
Saxon Line.*

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Among the other events, which contributed to heap dishonour on the government of this monarch, the loss of Scotland was unquestionably the most important. It is natural for a native of that part of the island to imagine, that Edward's character could not be materially tarnished, for failing in an attempt to subdue that country, defended as it was, by a gallant nation, renowned, both in ancient and in modern times, for its fortitude and valour. Their resistance, however, would probably have been ineffectual, had Edward endeavoured to complete the conquest of that country immediately after his accession, before the Scots had recovered their spirit, or had received assistance from their allies on the continent. But, though Edward succeeded to the crown on the 7th of July 1307, the battle of *Bannockburn*, on which the reduction of Scotland depended, was not fought till the 25th of June 1314: and thus Robert the Bruce and his subjects, enjoyed an interval of about seven years, and had time sufficient to acquire strength, discipline, and experience. The subsidies granted to this monarch, were principally intended to carry on his wars against the Scots, the success of which yielded no encouragement



venue of  
England  
during the  
reign of  
Edward I.

second year, a commission was granted to farm out such waste lands, *si absque injuria alterius fieri potest*; and in his fifteenth year, a great part of his woods were let for rent. The idea, however, was not then pursued. But it is hoped, that a plan, of which it was said of old, "that it would increase many thousand families for the public service, would bring many thousand pounds into the public coffers, and would convert much waste land, to habitations of christians," will be no longer neglected.

### EDWARD III.

The reign of Edward III. is, without doubt, the most splendid in the English history, for warlike achievements. Besides many important vic-

A variety of parliamentary grants, under the usual denominations of tenths, fifteenths, and twentieths, were received by Edward; and some taxes in kind were also granted him, as the ninth sheaf, the ninth lamb, and sometimes a subsidy in wool. But in the forty-fifth year of his reign, there was a tax of a very particular nature, which is recorded also as the first instance of any specific sum of money having been voted by parliament. It was a grant of £. 50,000 for carrying on the war with France. To raise this sum, every parish in England was assessed in the payment of £. 1 : 3s. 4d. each, the greater to assist the less; and it was supposed, that there were parishes enough in the kingdom, to make up the complete sum that was required. But so ignorant was the parliament, at that time, of the state of the country, and of the number of parochial districts into which it was divided, that, instead of £. 1 : 3s. 4d. each parish was obliged to pay at the rate of £. 5 : 16s.<sup>f</sup>

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England  
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The expences to which this monarch was put, appeared to be so much beyond the natural powers and resources of his kingdom, that it was currently reported, he had discovered the art of making gold from *Raymond Lully*, or some other skilful alchymist<sup>g</sup>. But the only secret which Ed-

Customs

<sup>f</sup> Stevens, p. 109. 111. Carte, vol. ii. p. 527. erroneously states this tax at 1*l*. 6*s*. instead of 5*l*. 16*s*. per parish. It appears from Hutchin's Dorsetshire, Introd. p. 56. that the mistake was not so much in regard to the number of parishes, as to the number of those able to pay the sum assessed.

<sup>g</sup> Gilb. Exchequer, p. 217.

venue of  
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ward made use of, was to encourage the commerce of his subjects; for he knew well, that the necessary consequence of an increase of trade must be an addition to his revenue. Nay, he found means to raise the customs of the port of London alone, to 12,000 marks *per annum*, which was more than the whole customs of England had yielded in the time of Henry III.<sup>b</sup> In the twenty-first year of his reign, many merchants having been robbed and murdered by pirates on the coast of England, it was thought necessary to equip a fleet for the protection of commerce; and in order to raise the money wanted for that purpose, an ordinance was made by the king and peers, for levying 2 s. upon every tun of wine, and 6d. upon all goods imported, which was only an addition of 3d. in the pound, to the duties formerly laid on by the *charta mercatoria*. But the commons complained, that

tional sanction of the other branches of the legislature. The first complete legal grant, therefore, of tunnage and poundage, imposed by full parliament, and extending to natives, was *anno* 1373<sup>1</sup>, since which period, these duties have existed in this country with hardly any exception.

*Revenue of  
England  
during the  
Saxon Line.*

The first poll-tax upon the natives was granted to Edward. It was a duty of 4 d. 2-head for every man and woman beyond fourteen years of age, beggars alone excepted<sup>m</sup>. The clergy also granted twelpence for every beneficed person; and four-pence for all other religious persons, excepting Mendicant Friars, who professing poverty, were not supposed able to furnish supplies. Either the laying on of this tax, or the oppressive manner in which it was collected, occasioned much discontent<sup>n</sup>, and ought to have prevented a second attempt of the same kind, and the fatal consequences which resulted from it in the following reign.

*Poll-tax.*

But Edward's great undertakings were of too expensive a nature to be carried on, either by the ordinary revenues of the crown, or by the grants, however liberal, which he received from parliament. Accordingly, his exactions were loudly complained of. The famous statute, *De tallagio*

*Exactions.*

<sup>1</sup> Rot. Parl. 47 Edw. III. Num. xii. vol. ii. p. 317.

<sup>m</sup> Ibid. 51 Edward III. Num. xix. vol. ii. p. 364. In the *Archæologia*, vol. vii. p. 337, there is a copy of this subsidy roll, and some very ingenious observations upon the subject, by Mr. Topham.

<sup>n</sup> Mort. vol. i. p. 614.

# HISTORY OF THE PUBLIC REVENUE Part I.

revenue of  
Ireland  
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*non concedendo*, was far from being strictly observed. It is said, that he imposed arbitrary talliages upon his domains; that he seized the money and effects of the merchants or bankers of Lombardy, who, since the expulsion of the Jews, had followed the same usurious practices, with the same detestation and obloquy. He is also accused of having been the first who attempted to raise money by the pernicious mode of erecting monopolies; of having extorted loans; of compelling such of his subjects as possessed estates to the value of forty pounds *per annum*, to take the order of knighthood; nay, of seizing the goods of his subjects, and selling them for his own behoof, giving the owners security for payment at a distant day, and at a price inferior to their value°.

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Nor could England alone furnish, at that time, an income adequate to the expensive enterprizes

£. 1,500,000 of our present money, of which, Revenue of England during the Saxon Line. however, only one-half was actually paid<sup>p</sup>. The king of Scotland's ransom was only 100,000 marks sterling, which, though a smaller sum, yet was equally exorbitant, considering the inferior extent and opulence of his dominions. But the greater part, if not the whole of it, was received<sup>q</sup>. Nor were other resources wanting: for he also received £. 50,000 sterling from the duke of Brabant, as the portion of his daughter Margaret, the intended bride of Edward the prince of Wales; and, it is said, £. 30,000 *per annum* from Ireland, after defraying the establishments necessary for its government and protection<sup>r</sup>.

Notwithstanding the wealth, which, from so Debts and difficulties. many sources, poured itself into Edward's coffers, and the splendour of the greater part of his reign, yet, on the whole, the events of it will furnish no inducement to any monarch, to aspire to the character of a conqueror, who coolly considers the difficulties to which this king was reduced, the debts with which he was encumbered, and the unfortunate conclusion of his reign. Though every means that could be devised for raising money, to carry on his various undertakings, was adopted without hesitation or remorse, he still found himself in the greatest perplexity and distress. His queen pawned her jewels, and he himself was

<sup>p</sup> Hume, vol. ii. p. 469. and note K. p. 510.

<sup>r</sup> Mort. vol. i. p. 605.

<sup>q</sup> Stevens, p. 124.

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venue of  
Iland  
ing the  
on Line.

reduced to the necessity, of giving the great crown of England itself in security for the money which he borrowed ; a gage which remained unredeemed for the space of eight years. Nay, he is represented, as asking the permission of his foreign creditors, to pass over to England, and of pledging his royal word, to return to the continent, if he was unable to procure the money necessary to satisfy their demands. But the conclusion of his reign, in particular, formed a miserable contrast to its former lustre. Not only were all his conquests (Calais only excepted) torn from him, but the ancient patrimony of his family on the continent, was confined to the narrow bounds of Bayonne and Bourdeaux ; and he, who had desolated every province of France, who had held its sovereign in captivity, and had filled Europe with his renown, was glad to accept of any terms that his enemies con-

ward, unfortunately furnishes us with an important instance of the truth of that proposition. His son, Edward the prince of Wales, had undertaken an expedition to Spain, for reinstating Peter, surnamed the Cruel, upon the throne of Castile; an enterprize which he speedily accomplished with his usual success. But the ungrateful tyrant refused to defray the charges of the expedition; and Edward was reduced to the necessity, of demanding, from his subjects in Aquitaine and Gascoigny, a sum of money to discharge the debts which he had incurred. This he proposed to do, by levying the tax called Fuage, or Hearth-money, which, at a livre *per* hearth, it was calculated would produce 1,200,000 livres. But the attempt was attended with the most fatal consequences. It filled the whole dominions of England, on the continent, with a spirit of revolt; and the French, taking advantage of an alteration so greatly in their favour, flew to arms; and in a little time, by the conquests they acquired, made ample amends for their want of success in their former hostilities against Edward<sup>1</sup>. Thus England found then, what it has also lately experienced, the difficulty of long retaining distant acquisitions; and thus the levying of a trifling impost, occasioned, of old, a revolution of as much importance to this country, in its consequences, as in the independence of America. At the same time, it is to be remarked, that the success of the French, on this occasion,

*Revenue of  
England  
during the  
Seven Years  
War.*

<sup>1</sup> Hume, vol. ii. p. 478.



## HISTORY OF THE PUBLIC REVENUE Part I.

was owing, not only to the assistance of those who were exasperated at the proposed impost, but also to the lingering illness with which the prince of Wales was afflicted, and to the imprudent confidence of the English, who thought themselves invincible.

It is said, by a very intelligent author, that the revenue of the crown, in the twentieth year of the reign of Edward, amounted to £.154,139 : 17 : 5 *per annum*. He mentions it upon the authority of a Pell of that year, which it is probable he has seen. But we are not told where it is to be met with, or what were the particular sources from which that income arose.

### RICHARD II.

The object of the tax was to save the poor, and to *Revenue of England during the Saxon Line.* lay the principal burden upon the rich. It was levied partly by a poll, and partly by a tax upon income.

The dukes of Lancaster and Brittany paid ten marks *Anno 1379.* each; every earl was charged four pounds; every baron forty shillings, &c. But the great body of the people, merchants, artificers, and husbandmen, were assessed a greater or lesser sum, *according to the value of their estates*<sup>2</sup>. This system, however, was too favourable to the indigent, to be much relished by the wealthier part of the community.

Notwithstanding the discontent which the poll- *Poll-tax.* tax, levied in the reign of Edward III. had occasioned, Richard's ministers did not profit by the experience that circumstance might have afforded; and the necessities of the state requiring a greater sum (160,000*l.*) than ever had been formerly demanded from an English parliament, the rich became desirous of throwing a part of so heavy a load upon their poorer neighbours; and it was at last determined to levy a poll-tax of twelve-pence upon every person in the kingdom, of whatever condition or estate, above fifteen years of age, mere beggars only excepted. Some indulgence the indigent were to receive; but it could not be very considerable, as no person was to be charged above sixty groats, including the tax he was to pay both for himself and family<sup>3</sup>.

This mode of taxation had ever been odious to the English nation; and, in the present instance, it *Rebellion.*

<sup>2</sup> *Solene Cour estat* Rot. Parl. 2 Ric. II. Num. 14. vol. iii.

P. 57.

<sup>3</sup> Rot. Parl. 4 Ric. II. Num. 15. vol. iii. p. 90.

venue of  
England  
ring the  
axon Line.

was so directly opposite to the principles on which the subsidy above mentioned had been founded, that it soon excited the greatest discontent. By the former tax, the great men of the kingdom were assessed in a sum which bore some proportion to their property and wealth. But by the new mode, the greatest peer of the realm, however opulent, could not be charged with more than sixty groats or twenty shillings. Nor was this all; for the tax, instead of being collected by the King's officers, was farmed out to contractors in the different counties, who levied it with equal insolence and severity. The patience of the people was at last exhausted. They flew to arms; and having chosen Tyler, Straw, and others, for their leaders, they seemed determined to bring about a total revolution in the country. The insurrection, however, was fortunately quelled when it was least expected.

The miserable end of this monarch's reign is well known ; and though more tyrannical sovereigns have sat upon the throne of England, and have died in peace, yet it can hardly be disputed, that his subjects had sufficient grounds to be dissatisfied with his conduct. He procured, from a garbled parliament, the subsidy on wool, leather, and wool-fells exported, *for life*—the first instance of such a grant, and which was considered as a baneful precedent for the future. He extorted considerable sums from his wealthiest subjects, by way of loan, which it was dangerous for them to refuse, and ruinous to pay ; and under the pretence, that several counties had engaged in rebellious practices (notwithstanding a general pardon had been granted by act of parliament), he threatened them with the severest marks of his displeasure, if they did not compound for their offences : and they were actually compelled to sign blank bonds, in those days called *ragmen*, which the king filled up in any manner, and with any sum he thought proper<sup>b</sup>. After all, the money which he obtained, either from the bounty of his people, or by means of extortion, instead of being laid out for the glory and advantage of his kingdom, was either thrown away upon the minions of his court, or wasted in maintaining an enormous household, amounting, it is

*Revenue of  
England  
during the  
Saxon Line.  
Exactions.*

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the horrors of this mode of taxation in his play of Richard the Second.

<sup>b</sup> Carte, vol. ii. p. 628. Mort. vol. i. p. 657.

venue of  
England  
during the  
Saxon Line.

said, to 10,000 persons; of whom 300 were employed in the very kitchens of the palace. But, notwithstanding all these circumstances, he would probably have continued upon the throne of England, had he not found in his kinsman, Henry duke of Lancaster, an enemy, whose ambition nothing but a crown could gratify, and whose character, spirit, and abilities were fully equal to any attempt, however bold, desperate, or flagitious.

Conclusion.

Under the government of the Saxon line, or house of Plantagenet, no inconsiderable progress was made in the knowledge of finance. The necessity of converting military services into pecuniary aids was discovered. Taxes began to be laid upon personal as well as real property. The customs came to be accounted a considerable and important branch of the revenue, and the clergy were compelled to furnish contributions for the public service; nor

## C H A P. VII.

*Of the Revenue of England during the Government of the Houses of Lancaster and York.*

THE æra, to the investigation of which this chapter is dedicated, considering its duration, is the most calamitous period of the English history, from the Norman invasion. It includes a space of about eighty-six years, the greater part of which was spent in a bloody and destructive contest for the government of the country, between the two rival houses of Lancaster and of York ; each of whom, at different periods, were alternately successful. The first monarch of the House of Lancaster (for that family came earliest to the throne) paved his way to it, by forcibly deposing his legal sovereign ; and endeavoured to render his crown secure, by the murder of that unfortunate prince ; but in vain ; for his government was perpetually disturbed by a series of dangerous insurrections. His son, Henry V. though a successful warrior, and though it is probable, had his life been prolonged, that he must have succeeded in his views of subjugating France, nevertheless wasted the blood and treasure of the nation, in pursuit of an enterprise, which, if successful, might have proved destructive to the liberties, and to the national importance of England, as an independent kingdom. With respect to the

*Revenue of  
England  
during the  
Lancaster  
and York  
Government.*

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*Revenue of  
England  
during the  
Lancaster  
and York  
Government.*

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remaining monarchs of the two rival houses, the history is nothing but a constant series of battles, bloodshed, crimes, horror, anarchy, and confusion scarcely to be paralleled in history.

Events, however, which at first sight appear ruinous and destructive, were, notwithstanding, attended with consequences in some respects beneficial. The contest for the crown, between rivals of the same rank and pretensions, rendered it necessary for both to court the favour of the people, and when possessed of the government, to pay ever possible attention to their liberties and rights. During the whole period, no attempts were made to infringe upon the articles of Magna Charta, or to impose any tax without the sanction of Parliament; whereas, it is probable, that a race of monarchs, whose title to the crown was unquestionable

commons have endeavoured to raise themselves to any degree of importance in the State. They must have sunk under the superior lustre and opulence of the peerage, and could never have attained that independent power, and that extensive weight and influence, which they at present possess, and which has so much contributed to the prosperity and happiness of the country.

*Revenue of  
England  
during the  
Lancaster  
and York  
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The union of France and England, under the government of one sovereign, had it been effected by the efforts of Henry V. or his successors, would have proved a fatal circumstance to this island. The one kingdom must have become a dependent province on the other; and it is hardly possible to suppose, that England would not have been rendered subservient to a country, in which, both from considerations of policy and of pleasure, the sovereign would naturally have resided<sup>a</sup>. That event, the contest between the two rival houses probably prevented; and although the saying of *Abbot Suger*, minister to Lewis le Gros King of France, has, hitherto, been verified, “that it was neither agreeable to nature or reason, that the French should be subject to the English, or the English to the French<sup>b</sup>,” yet such was the hold which England

<sup>a</sup> By the treaty of marriage between Elizabeth and the Duke of Anjou, if their descendants succeeded to the crown of France and England, the sovereign was obliged to reside in England, only eight months every two years. *Mort.* vol. ii. p. 397.

<sup>b</sup> *Lytt. Hist.* vol. i. p. 123.



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at that time had over some of the most fertile provinces of France, and so martial were the English during the whole period which is now under our consideration, that a junction of the two kingdoms would probably have been effected, if the warlike spirit of the English, had not been wasted in domestic quarrels, and if their dissensions had not furnished the French, with an easy opportunity, not only of conquering the possessions of England on the continent, but also of securing the affection and fidelity of the inhabitants, before the English were able to attempt the recovery of the provinces they had lost.

Perhaps, also, the inutility and uncertainty of foreign conquests, and the miseries attending domestic wars, so visible during this æra, might first give the English that attachment to commerce, and those habits of industry for which the nation has

III. ; and he would have enjoyed an hereditary title to the crown, after the death of Richard, if Lionel, Duke of Clarence, Edward's third son, had not left descendants behind him, whom the House of York lineally represented. But no one dared to mention the pretensions of that family, though their right had been solemnly recognised by parliament: for Henry, at that time, enjoyed the favour of the nobles, and of the people, and the command of a formidable army. He mounted the throne, therefore, without opposition, and filled the vacancy, which his own intrigues had effected, in a manner that proved him not unworthy of the crown, had it not been obtained by violence and usurpation.

*Revenue of  
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during the  
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and York  
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During this, as well as the former reign, the revenue of the customs became more and more productive, in consequence both of an increase of trade, and of an addition to the duties. Richard had received a grant of three shillings upon every tun of wine, and one shilling upon goods<sup>c</sup>. But Henry did not venture to demand more than a tunnage of two shillings, and a poundage, first at seven-pence, and afterwards at eight-pence, until the fourth year of his reign, when the duty of three shillings *per* tun, and one shilling *per* pound, was again revived: a circumstance with which the king was so much delighted, that he gave both lords

*Customs.*

<sup>c</sup> Gilb. p. 280. Forst. p. 38. N. B. These authors differ as to the years.

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and commons a magnificent entertainment upon the occasion<sup>d</sup>. Special care, however, was taken, not to give this monarch a grant of the customs for life; and one year was suffered to elapse without any grant of them at all, in order to prove that this branch of the revenue, was not the property of the crown, but proceeded entirely from the good-will and bounty of the people.

the tax.

no 1404.

A tax upon places and pensions, and grants from the crown, was also imposed in this monarch's reign. It was enacted by the famous *Parliamentum indoctum*, or lack-learning parliament, into which no individual conversant in the law was admitted. By the statute, the king was empowered to take one year's profits of all annuities, fees, or wages, granted to any person since the reign of Edward III. (certain ministers of state, the judges, and other officers in the courts of justice, only excepted.

comprehended, in one grant, the principal modes formerly practised of raising a revenue, namely, by scutage and by talliage, it was both more equal and more productive.

*Revenue of  
England  
during the  
Lancaster  
and York  
Government.*

The curiosity of our historians has been not a little awakened, to know the particulars of an imposition of so singular and of so dangerous a nature, that it was granted upon this condition alone, that it should not be made a precedent of for the future. Nay, according to *Walsingham*, it was to be kept concealed from posterity; no evidence of it was to be preserved in the treasury or in the exchequer; and every writing or memorial regarding it, was to be burnt<sup>f</sup>. This tax is farther represented to have been, “ A monstrous birth shewn to the  
“ world, to let it know what could be done, and  
“ concealed by historians, that the world might  
“ not know what may not, or ought not to be  
“ done<sup>g</sup>.” To discover this hideous monster, the public records were carefully examined by a judicious historian; who informs us, that this unprecedented tax was nothing but a subsidy upon real and personal property, amounting to twenty shillings upon every knight’s-fee; twenty pence upon every twenty pounds a year in lands; and one shilling in the pound upon money and goods<sup>h</sup>. And, with regard

*Singular  
subsidy.*

<sup>f</sup> Hist. Ang. p. 369, 370.

<sup>g</sup> Nat. Bacon’s Discourses, part ii. c. 13. p. 60. Month. Rev. vol. xiv. p. 43.

<sup>h</sup> See Carte’s Hist. vol. i. p. 660. Parl. Hist. vol. ii. p. 82.

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regard to the clause prohibiting it to be made an example of for the future, it was not unusual when any important grant was made at that time.

The doctrines of Wickliffe had begun in the reign of this monarch, and indeed in that of his predecessor Richard, to spread a spirit of reformation in the church, not only in England, but on the continent; and, as this spirit gave rise to a plan for enriching the crown, by the plunder of the church, which had nearly taken effect in the reign of Henry, it may not be improper to give a connected view, of the origin and progress of an event, so singular and important.

The clergy, by their own proud and haughty behaviour, gave rise to the idea. It was first openly declared in the year 1385, when Richard II., having assembled a parliament in order to procure a supply, found the laity willing to grant one ff

of the peers, who affirmed, that it was necessary to humble their pride, by seizing the temporalities of the clergy, and that nothing would render them useful to the State but reducing them to poverty. The king, however, interposed: he declared himself the champion of the church, and, by his influence, the project, for that time, was totally defeated<sup>1</sup>.

*Revenue of  
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during the  
Lancaster  
and York  
Government.*

The next attempt originated, not in parliament, but in a military council. It is well known, that Henry IV. had obtained an important victory at Shrewsbury, in which the gallant Percy, known by the name of Hotspur, and all the other leaders of that dangerous insurrection, were either killed or taken prisoners. Henry's finances were exhausted by the expences he had incurred in quelling this revolt; and he was totally unable to provide for the maintenance of some troops necessary to stop the progress of the Welsh, who had made an incursion into England. In this emergency, his principal officers proposed that he should seize the money, and the valuable equipages of those prelates who served in the expedition. And the proposal would probably have been agreed to, if *Arundel*, who was then Archbishop of Canterbury, and a man of spirit and resolution, had not boldly declared, "that they should win with blood what—  
"ever they got from him:" and the times were too

<sup>1</sup> Burn's Ecclef. Law, voce Monasteries. Stevens, p. 120.

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critical to quarrel with so high-spirited and powerful a subject<sup>k</sup>.

But the most dangerous attack was made by the *Parliamentum indoctum*. It was the second parliament that had been assembled that year, and it was held under the pretence that the preceding parliament had not been sufficiently liberal in its grants. The commons were stung by the reproach, and represented to the king that his necessities might be provided for without burthening the laity, by seizing the temporalities of the churchmen, and applying them to the public use: they added, that the riches of the clergy made them inattentive to their duty, and that diminishing their exorbitant revenues, would prove equally useful both to the church and State. But the nation was not yet ripe for so important an innovation; and the clergy were headed by the same prelate who had formerly

king<sup>m</sup>. Perhaps the inconsiderable portion which it was intended the crown should receive, was the principal obstacle to its success.

*Revenue of  
England  
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But the dangers with which the church was environed, were not yet brought to a crisis: for, in the second year of the reign of Henry V., the same project was renewed: the commons again proposed to seize all the revenues of the church, and to appropriate them to the use of the crown<sup>n</sup>. The clergy, however, escaped, by giving up all the alien priories, and by diverting the attention of the king and of the people, from the internal government of the country, to those plans of conquest and of empire which were afterwards pursued. Thus the wealth of the clergy was reserved for the plunder of Henry VIII., and proved a material inducement with that monarch, to bring about the reformation, or, at least, to put an end to the authority of the pope in England, and to make a considerable reduction in the opulence of the church.

The expensive household which Richard had <sup>Household,</sup> maintained, was a circumstance peculiarly obnoxious to his subjects; and indeed had principally given rise to the oppressions of his reign. Henry was determined to give, on this head, every possible satisfaction: and, accordingly, he at first restricted the establishment of his household to 10,000 *l*. But, <sup>Anno 404.</sup>

<sup>m</sup> Hume, vol. iii. p. 81. Parl. Hist. vol. ii. p. 114.

<sup>n</sup> Hume, vol. iii. p. 91. Parl. Hist. vol. ii. p. 136.



# HISTORY OF THE PUBLIC REVENUE Part I.

in the eleventh year of his reign, he found it necessary to increase it to 16,000*l. per annum*°.

The jealousy which the commons entertained of the crown at this time, in regard to its revenue, is worthy of particular attention. In two different instances, they allowed Henry only 6000*l.* for his own use, appropriated the remainder of their grant to public services, and appointed their own treasurers, who were answerable for the money they received, and were obliged to give in an account of their disbursements to parliament: and when Henry proposed, *anno* 1410, that a grant should be given him of a tenth from the clergy, and a fifteenth from the laity, *for his life*, under the pretence of saving them the trouble of meeting annually for that purpose, the artful and insidious proposal was indignantly rejected°.

Henry IV.'s income, in the twelfth year of his

*Revenue of  
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## H E N R Y V.

It is natural to indulge a considerable degree of curiosity, to ascertain what resources a monarch was possessed of, who attempted the conquest of France, and had almost accomplished an enterprise of such difficulty and moment: for, although many circumstances had taken place favourably to his views, and he had reaped very important advantages from dissensions among the French, and from his alliance with the royal family, yet he could never have accomplished what he did perform, without funds of great pecuniary value: and as historians have rather depreciated the extent of his revenue, it is the more necessary to consider, first, what temporary grants he received from parliament; and secondly, what was the probable amount of his annual income.

Hume, who seems to be desirous of increasing Grants. the admiration which his readers must naturally entertain of Henry's achievements, by placing his finances in the lowest and most contemptible point of view, has stated that all the extraordinary supplies, granted by parliament during the course of Henry's reign, amounted only to seven tenths and fifteenths (about 203,000*l.*); and he mentions, at the same time, that Henry's army amounted to six thousand horse, whose pay was two shillings a day; and twenty-four thousand archers, who received

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fix-pence *per* day each'. The expences of such an army, therefore, must have amounted to 430,000*l.* *per annum*; and consequently, all Henry's grants, joined together, would have been exhausted in less than six months. But, in the first place, the grants given to Henry were greater than this historian states; and, in addition to them, he received considerable assistance from the clergy, and the entire revenues of 110 monasteries in England, dependent on certain abbies in Normandy, which the English clergy had sacrificed for the security of their own possessions.

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There is also reason to believe, that historians have fallen into an error with regard to Henry's annual income, which is said to have amounted only to 55,754*l.* 10*s.* 10½*d.*; "and with this weak supply (according to Voltaire), he undertook the conquest of France."

a little defective ; but its omissions may be supplied, from the full and particular account of the income of the crown, which was laid before parliament *anno 1433*<sup>a</sup>. From a comparison of the two records the following statement is drawn up.

*Revenue of  
England  
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Lancaster  
and York  
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### Amount of HENRY V.'s annual Income.

|   |   |           |    |     |
|---|---|-----------|----|-----|
| 1. To the parva custuma on wool   | - | £. 3,976  | 1  | 2   |
| 2. To the magna custuma on ditto  | - | 26,035    | 18 | 8½  |
| 3. To the parva custuma on goods  | - | 2,438     | 9  | 1½  |
| 4. To the subsidy of tunnage and poundage                                   |   | 8,237     | 10 | 9½  |
|   |   | <hr/>     |    |     |
|   |   | £. 40,687 | 19 | 9½  |
| 5. To the casual revenue, arising from<br>escheats, the court of wards, &c. | - | 15,066    | 11 | 1   |
|   |   | <hr/>     |    |     |
| Total, according to Rymer,  |   | £. 55,754 | 10 | 10½ |

To be added<sup>a</sup> :

|                        |   |           |    |     |
|------------------------|---|-----------|----|-----|
| 1. Fee farm rents      | - | £. 3612   | 11 | 3   |
| 2. Alien priories      | - | 277       | 5  | 0   |
| 3. Duchy of Cornwall   | - | 2788      | 13 | 3   |
| 4. South Wales         | - | 1139      | 13 | 11  |
| 5. North Wales         | - | 1097      | 17 | 3   |
| 6. County of Chester   | - | 764       | 10 | 2   |
| 7. Manor of Shotswick  | - | 33        | 6  | 8   |
| 8. Ireland             | - | 2339      | 18 | 6   |
| 9. Duchy of Lancaster  | - | 4952      | 13 | 3   |
| 10. Duchy of Aquitaine | - | 808       | 2  | 2   |
| 11. Profits of Calais  | - | 2866      | 1  | 0½  |
| 12. Revenue of Windsor | - | 207       | 18 | 5   |
|                        |   | <hr/>     |    |     |
|                        |   | 20,888    | 10 | 10½ |
|                        |   | <hr/>     |    |     |
|                        |   | £. 76,643 | 1  | 8½  |

<sup>a</sup> Rot. Parl. vol. iv. p. 433.

<sup>b</sup> These articles were liable to various deductions in the reign of Henry VI. as specified in the record ; but it is probable that such encumbrances did not exist in the reign of Henry V.

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Many of these articles, and the alien priories in particular, must have yielded more in the reign of Henry V. For it appears, that in his son's minority, the management of revenue, and of public affairs in general, was miserably neglected<sup>r</sup>; and, on the whole, it is probable, that this monarch's income might amount to about £. 80,000 *per annum*, equal to 160,000 pound weight of silver, which, by the cheapness of provisions at that time, would be equivalent to £. 500,000 of our present specie.

atoms.

It is said, that Henry V. was the first monarch, who had the subsidies on the exportation of wool and leather, and the duties of tunnage and poundage, joined together, granted him *for life*<sup>2</sup>. But Forster remarks, though the fact is true, yet that Coke, and other eminent lawyers, are mistaken in

the roll, which is commonly adduced in proof of that assertion <sup>a</sup>.

*Revenue of  
England  
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## H E N R Y VI.

There is hardly any instance in the history of England, or indeed of any state, the government of which has not acquired an uncommon degree of firmness and stability, of a prince's succeeding to the throne in his infancy, in which his reign did not prove the source of infinite misery both to himself and his subjects. It is therefore the less surprising, that though Henry VI. was born with the most splendid prospects of any prince in Europe, they should all be blasted by the immaturity of his age. He was scarcely nine months old when he lost his father: and though he was crowned the sovereign both of France and England, he lived to see himself without a crown, a subject, or a home.

The beginning of this monarch's reign was not <sup>Grants.</sup> burdensome to his English subjects. It is said, that only one subsidy was granted during the course of seven years, from 1437 to 1444, and that the loss of France was greatly owing to the scantiness of the supplies<sup>b</sup>. The parliament was probably apprehensive, that England might be made subser-

<sup>a</sup> Introd. p. 39. It is granted by 3 Hen. V. Rot. 5. Vol. iv. p. 63.

<sup>b</sup> Hume, vol. iii. p. 167. Note [Y].

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£. 36,000 sterling of our money<sup>b</sup>. With regard to the king of Scotland, as he was not a prisoner of war, it was impossible to demand a ransom from him: but £. 40,000 was exacted by way of equivalent for the entertainment he had received in England; of which sum, it is probable that 10,000 marks were remitted in consequence of the second article of the treaty, and as much more abated by way of portion with a relation of Henry's, to whom James was afterwards married. The remaining 40,000 marks were exacted; and thus a prince who, in time of profound peace, was driven into the port of a neighbour by distress of weather, was detained in his dominions for many years, and after all was compelled to pay a considerable sum of money for his maintenance, previously to his release.

In the twentieth or according to some authors

tained a very different doctrine. It is there stated, that by law he could compel all his subjects, at their own charges, to attend his wars; but that he was willing to spare such as would contribute as much as two days personal service would stand them in, according to their rank and quality. Thus he publicly declared, that if they did not tax themselves, money would be exacted from them, by other means much less pleasing<sup>1</sup>.

*Revenue of  
England during the  
Lancaster  
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There is extant in the rolls of parliament, a very particular account of this monarch's revenue<sup>2</sup>, from which it appears, that the annual produce, in consequence of the decrease of the customs, and mismanagement in the collection, had fallen to £.64,946 16s. 4d.; and such were the deductions from it, and the expences of government, that the charges exceeded the receipts £.35,000 *per annum*. Nay, it was afterwards declared in parliament, that the income of the crown was reduced, by grants, pensions, and otherwise, to only £.5000<sup>3</sup>.

*Amount.*

During Henry's minority, the revenues of the crown had been greatly diminished by the arts and negligence of those who were in power, and in consequence of the expences incurred in carrying on the war against France, which were principally defrayed from the income of the crown, the parliament furnishing very little assistance. Nor were

*Distresses.*

<sup>1</sup> Stevens, p. 157. Cotton, p. 177. Noy's Rights of the Crown, p. 48.

<sup>2</sup> Rot. parl. vol. iv. p. 433.

<sup>3</sup> Ibid. 28 Henry VI. Num. 53. vol. v. p. 183.



parliament, and by his council, to the king's situation. In the parliament a full resumption was made, of all that had taken place since the death of Henry, to prevent the king from waiving his rights. His council advised him to convey to the Bishop of Canterbury, in trust, all the profits of the king's rriages, reliefs, escheats, and forfeitures, and the expences of the household<sup>a</sup>; and at the year of his reign, those expences were estimated by parliament to £.12,000 *per annum*; and was paid out of the queen's jointure estate<sup>b</sup>. His debts, at the same time, amounted to the enormous sum of £.372,000; to the payment of which, the parliament was obliged to give some assistance; and his reign furnished the first examples in the English history of debts being contracted on that species of

<sup>a</sup> See Noy's Rights of the Crown, p. 2. <sup>b</sup> Suffolk was accused by the Commons, of having expended £.60,000 which had been left by his predecessor.

## EDWARD IV.

*Recess of  
England  
during the  
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This prince (the first of the House of York that ascended the throne) was at last fortunate enough to recover the rights of his family, after a long, severe, and bloody contest. And, perhaps, it is the only example in history, of one family driving another from the throne, who had possessed it sixty years; after having been, for that space of time, in the power of its rival family, and having often sworn allegiance to it. But as, on the one hand, nothing could exceed the simplicity and weakness of Henry's character; so on the other, Edward's valour, spirit, and activity, were scarcely to be equalled.

The disgraceful poverty to which the crown had been reduced, rendered a resumption of the crown lands a natural mode for Edward to pursue, in order to increase his revenue; and, in fact, the plan (which was insinuated by Edward himself, in a speech from the throne) was readily agreed to by his parliament. Edward's domains had been previously increased by the forfeited estates of no less a number than one hundred and forty of the principal nobility and gentry of England, who had supported the house of Lancaster. It is probable, however, that what was seized from the adherents of that family, he was often under the necessity of bestowing on his own friends, as a reward for their services and attachment.

*Resumption.*

*Anno 1461.*

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Six tenths, and as many fifteenths, with three quarters additional of each, were obtained by this monarch from his parliament, together with different specific sums for the maintenance of a body of archers; and a yearly subsidy upon foreigners, whether denizens or aliens. But the sums which he received were very inadequate to the various expences he was put to, and which a young and gallant monarch, like Edward, would naturally be inclined to incur.

In the first year of his reign, he had received from the clergy a *benevolence*, or in the words of the record, a *voluntary subsidy*: but a partial contribution of that nature was insufficient when he engaged in a war with France; and accordingly, in the twelfth year of his reign, he endeavoured to procure a general benevolence, or free gift; and sending

took place with regard to this benevolence, has been often related. A rich widow, advanced in years, was personally applied to by Edward for her benevolence. She was so much pleased with the manner in which the request was made, and the gracefulness of Edward's person, who was supposed to be the handsomest man in his time, that she immediately answered, "*By my troth, for thy lovely countenance, thou shalt have even twenty pounds.*" The sum was so very considerable, that the king thought himself bound to give the old lady a kiss, in token of his satisfaction, who was so much delighted with that unexpected mark of the royal favour and attention, that she added twenty pounds to her former donation.

*Revenue of  
England during the  
Lancaster  
and York  
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The consequence of Edward's expedition to the continent, was a peace with Lewis XI. by which that monarch became bound to pay Edward 75,000 crowns (to indemnify him for the expences he had been put to), and an annuity of 50,000 crowns, for their joint lives. It has been much disputed, whether this annual payment should be called a tribute or a pension. The first would imply the subjection of France to this country, which it is impossible to suppose could be really meant by the agreement; and the name of pension, would infer bounty on the part of France, and dependance on the part of England, which was equally absurd and ridiculous. In the acquittances given for this an-

*Annuity  
from France.*

• Parl. Hist. vol. ii. p. 364.

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nuity, it is called *census*: and, in fact, it was an infamous bargain, which none but such a king as Lewis would have agreed to, and which, considering Edward's mighty boasts and preparations, did him very little credit.

tions,

This disgraceful end of the expedition to France, had filled the nation with so much discontent, that the king did not think proper to apply to parliament for any pecuniary assistance, and was reduced to the necessity of having recourse to other means for supplying his exchequer. It is said, that he adopted some very oppressive expedients for that purpose, which the historians of this reign have not thought proper to communicate. But it is known, that those whose titles were in any respect defective, which might be expected, in consequence of so much internal confusion, were obliged to pay considerable sums of money for a confirmation of their

be considered his engaging in commerce, and carrying on merchandize to a considerable extent<sup>1</sup>. Such a system other sovereigns have pursued; and a monarch who has the absolute government of his kingdom, and who, in consequence thereof, can secure a monopoly of any commodity he chuses to deal in, may trade to advantage; but, in general, this circumstance may be considered as the certain mark of an indigent prince, and of an oppressed and barbarous people.

*Revenue of  
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during the  
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and York  
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During the whole of this reign, the expences of the king's household were a perpetual source of complaint. Edward had promised to restrain such charges within the proper bounds<sup>2</sup>. But the hospitable manner in which the kings of England lived at that time, rendered any material reformation very difficult to be effected; and after all the promises which he had made, of living upon his own income, parliament was obliged to allow £.11,000 *per annum* out of the customs, and other public revenues of the kingdom, to assist him in defraying these expences.<sup>3</sup>

*Household.*

## EDWARD V.

This unfortunate prince succeeded his father, when only about twelve years old; and though he

<sup>1</sup> Mort. vol. ii. p. 116. Carte, vol. ii. p. 796.

<sup>2</sup> Noy's Rights of the Crown, p. 13.

<sup>3</sup> Rot. Parl. 22 Edward IV. Num. 2. vol. vi. p. 199.

has

aggrandisement ; and being proclaimed  
endeavoured to secure the power  
by the murder of this helpless mo-  
ther brother the Duke of York, the o-  
ther family, who stood between him and

## R I C H A R D

A tyrant, who paves his way to  
deceit, treachery, and murder, can  
enjoy much happiness from the power  
acquired, and soon finds that he has  
fallen in an endless series of crimes, and  
of very precarious and shortlived  
this, Richard's reign, which continued  
only of two years and two months  
with a memorable instance ; as it pro-  
valour and ability united, are not fit to  
serve a crown on the head of an usurper

Abolition of Richard's title to the crown was

and public societies are linked together, that he sedulously endeavoured, by every popular art, to ingratiate himself with the people, and with that view having assembled a parliament, he procured an act to abolish, for ever, that mode of exaction, called benevolence, which had not a little alarmed the public, on account of the illegality of the practice, and the great extortion which it had occasioned<sup>b</sup>.

*Revenue of  
England  
during the  
Lancaster  
and York  
Government.*

The only grant which Richard received, during the short course of his reign, was that of tunnage and poundage for life<sup>c</sup>. Indeed the customs had become so important a branch of the revenue, that no monarch, however frugal, or however anxious to acquire popularity, could carry on the government without the additional income which they afforded.

*Grants.*

To Richard, it is probable may be ascribed the first attempt to establish posts in England. The plan was originally formed in the reign of his brother Edward, when stages were placed at the distance of twenty miles from each other, in order to procure Edward the earliest intelligence of the events that passed in the course of a war, which had arisen with the Scots. But Richard commanded in the expedition; and as it was a project which seems more likely to have occurred to a man of his sagacity and talents, than to his brother, the merit of it ought probably to be given to Richard, in whose

*Posts.*

<sup>b</sup> See act 1 Rich. III. cap. 2. Yet this tyrant afterwards exacted a benevolence himself. Parl. Hist. vol. ii. p. 410.

<sup>c</sup> Rot. Parl. 1 Ric. III. vol. vi. p. 238.



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reign the practice was extended over the greater part of the kingdom<sup>d</sup>. But his abilities and his valour were equally fruitless. For after a short reign, he was slain, fighting gallantly at the decisive battle of Bosworth.

clusion.

It is hardly necessary to sum up, at the conclusion of this chapter, the little progress that had been made, in the science of revenue, during the period to which it relates. It was a time too full of bloodshed and confusion, for any advancement whatever to take place, in any branch of the civil department. It is remarked, however, by a great historian, that during the course of the contest between the two rival houses, not an instance can be produced of any tax being imposed without the sanction of parliament. That important law in the constitution, came thus to be unalterably fixed, and could not afterwards be safely broken through, by any monarch, however bold or daring, or whatever authority he

England. By the marriage of Henry VII. who was acknowledged to be the representative of the royal branch of Lancaster, to Elizabeth, daughter of Edward IV. and heirs of the line of York, the fatal contest between the two houses was brought to a conclusion. The English, no longer distracted by domestic strife and discord, were enabled to turn their eyes towards the continent; and instead of confining themselves to the narrow transactions of their own island, began to take an active concern in the general politics of Europe. Henry's encouragement of commerce, and his plans for reducing the power and opulence of the ancient nobles, and for exalting the Commons on their fall, proved the means of introducing internal changes of the greatest and most essential importance. The same æra boasted the discovery of the East and West Indies, and of America, by which a total revolution was effected in the ideas of individuals, and in the views of states. In a word, to this period may be traced the seeds of that political system, which has ever since engaged the attention, and occupied the thoughts of the principal powers of Europe. Nor is it of less importance with respect to the peculiar object of this work; for, in proportion as the scene became more extensive, greater pecuniary aids were required, than England had been accustomed to supply; and new sources of revenue consequently became necessary.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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Revenue of  
England  
for the  
Civil War  
Government.

### Revenue of HENRY VII.

It is remarked, by a great historian, that in the reign of Henry VII. the English were considerable losers by their ancient privilege, which secured them from all taxations, except such as were imposed by their representatives in parliament\*. But the justice of this observation there is great reason to doubt; for if Henry's avarice was such, that it broke through every restraint of law, to what height would it not probably have been carried, had it been subject to no limitation whatsoever? His appetite, like his power, would have known no bounds, and not only the rich, and those who were immediately under the eye of the sovereign and his agents, would have been pillaged, but every creek would have been ransacked, nor would the poorest

Henry's reign, except an additional duty of eighteen shillings per butt laid upon malmsey, imported by merchant strangers, in consequence of a tax imposed by the Venetians upon the commerce of this country\*.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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Henry received considerable grants from the different parliaments he assembled in the course of his reign; and he always found them obsequious. Even the people paid any moderate tax, or any imposition to which they had been formerly accustomed, or which the exigencies of the state required, without murmur or complaint. But the king was sometimes so exorbitant in his demands, and his parliaments were so prodigal of the public money, that it gave rise to very dangerous insurrections.

*Grants.*

A parliament had met, *anno* 1487, to furnish the king with a supply, for the purpose of enabling him to give effectual assistance to the dutchess of Brittany; and a grant (about the nature of which historians differ) was accordingly voted. But the amount and weight of the subsidy, joined to the general harshness and unpopularity of Henry's government, excited such discontent among the inhabitants of Yorkshire and Durham, that a rebellion suddenly broke out. The earl of Northumberland, who refused to countenance the insurrection, was slain by the insurgents, and they seemed determined to carry on their daring enterprise with the greatest ardour and perseverance: but an engagement having taken

*Northern  
insurrection.*

\* 8 Hen. VII. cap. 7.

venue of  
land  
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place with the king's forces, in which they were unsuccessful, the rebellion was suppressed<sup>d</sup>.

A more serious revolt took place in the year 1497. In a parliament held that year, a subsidy, amounting to £.120,000 and two fifteenths, had been voted, under the pretence of some incursions of the Scots<sup>e</sup>. The inhabitants of the West, who thought themselves secure from any attack on that quarter, and who considered the northern barons as bound, by the tenure of their possessions, to repel such inroads, murmured not a little at the imposition, and the natives of Cornwall, in particular, flew to arms. Their numbers were so formidable (amounting to above 16,000 men), that until they ventured to approach the capital, they met with no resistance. But in a battle fought near Blackheath, the king's troops gained a complete victory; and

liament<sup>c</sup>. It is generally supposed that archbishop Morton was the author of the proposal; and a clause inserted in the instructions given by him to the commissioners for levying the tax, which is commonly known by the name of Morton's fork or crutch, has been often quoted. All descriptions of men (he told the commissioners) must contribute largely to the king's supply: for such as are sparing must be enriched by their frugality, and cannot therefore have any excuse; whilst those who live in a splendid and hospitable manner, should pay in proportion to their expences. Considerable sums of money were levied by these means. The city of London alone paid £.9,688 17s. 4d. and Henry was artful enough to have the exaction legally authorised by an act of parliament, which empowered him to demand any sum that had been offered, by way of composition for the Benevolence, and had not yet been paid<sup>d</sup>. *Anno* 1504, the second benevolence was levied, which, however, was not so productive: for the people were dissatisfied with such repeated exactions, and knew well that he had no occasion for money at that time, being at peace with all his neighbours, and having his coffers full<sup>e</sup>.

*Revenue of  
Eng. and  
under the  
Tudor Go-  
vernment.*

Morton's  
Fork or  
Crutch.

The parliament 1504, was principally assembled, to raise an equivalent for two well-known feudal aids, which Henry was entitled to demand, in consequence of the marriage of his eldest daughter to

Feudal aids.

<sup>c</sup> Hist. of Henry VII. p. 58. Hume (vol. iii. p. 350. note U.) supposes that Bacon was mistaken, but the contrary appears from 11 Henry VII. cap. 10. intituled, A remedy or means to levy a subsidy or benevolence before granted to the king.

<sup>d</sup> See act 11 Henry VII. cap. 10.

<sup>e</sup> Hume, vol. iii p. 389.

venue of  
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or the  
for Go-  
vernment.

James IV. king of Scotland, and his eldest son Arthur (who died soon after) having been made a knight. These were the two greatest and most expensive solemnities to which feudal lords were liable, when that system was at its height; and hence, by an ancient custom, their vassals were bound to furnish them with some pecuniary assistance, though, in strict propriety, it ought never to exceed the real charges they were put to. But Henry was resolved to take advantage of any pretence to fill his exchequer, and therefore obtained from parliament £. 31,006:4:7 as an equivalent for these aids; and this sum, instead of being furnished by the immediate vassals of the crown, who alone were legally liable, was levied upon the whole community, whether possessed of personal or of real property, and was thus rendered particularly

Among the other means which this monarch made use of to increase his wealth, may be included the sums of money which he drew from foreign nations. The great object of the French, at that time, was the acquisition of the province of Brittany; and it was at last effected, greatly owing to Henry's avarice and neglect. For the dutchess of Brittany, unsupported by the king of England, was compelled, however reluctantly, to marry Charles VIII. of France, to whom she had an aversion; and thus her dominions were again annexed to that powerful monarchy. Henry was desirous of receiving, at least, some consolation, by the money which the king of France would pay, to secure so valuable a possession; and he actually obtained 745,000 crowns, equal to £. 186,450 sterling, in lieu of certain claims he had boldly urged, though they were far from being well founded<sup>a</sup>. Two hundred thousand ducats were also given by Ferdinand king of Spain, with his daughter Catherine, married first to Arthur, the king of England's eldest son, and after his death, to Henry his second. The king's principal inducement to celebrate the second marriage (an event productive of infinite misery both to his posterity, and to his subjects), was to avoid refunding the considerable portion he had received from Ferdinand.

Henry renewed the old mode of extorting money, by compelling persons possessed of forty

*Revenue of  
England  
under the  
Tudor Go-  
vernments.*

*Money from  
foreigners.*

*Extor-tions.*

<sup>a</sup> See Parl. Hist. vol. ii. p. 447. He also received an annual tribute, or pension of 25,000 crowns.

pounds



Revenue of  
land  
for the  
Government.

pounds a year in land, either to receive knighthood, or to compound in its stead. And the rights which he enjoyed as the feudal lord, and superior of the kingdom, proved, under his government, an endless source of exaction, to which every proprietor of land was exposed. But in the latter part of his reign, a general system of oppression was not only begun, but resolutely persevered in. Every penal law, however ancient, or however injurious to the public interest, was rigorously enforced; and Empson and Dudley, two able, but rapacious judges, employed by Henry, as ministers to fleece the people, thought no expedient that yielded money, however bold, mean, or fraudulent, too infamous to be pursued. In the strong words of Bacon, "*they converted law and justice, into wormwood and rapine.*"

As Henry received more money, and spent less

millions and a half in bullion, besides plate and jewels<sup>1</sup>; but that calculation is totally incredible.

Henry, however, found, that his immense treasures, could neither administer consolation, nor furnish him with assistance, in the hour of sickness, and on the bed of death. His arts, and his extortions, then appeared in their real colours. All the means that could be devised, to allay the terrors of a guilty conscience, were tried in vain; yet his contrition was either so weak, or his avarice still so predominant, that he could not be prevailed upon, during his own life, to make any reparation to those whom he had injured; and his son, notwithstanding the strict injunctions which he received, was equally loath to part with any share of the plunder that had been amassed. Empson and Dudley, indeed, the instruments of his father's oppression, were publicly executed to gratify the people. But that was a poor recompense, for the many exactions to which the nation had been subjected, in the course of their administration<sup>2</sup>.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

*Remorse.*

## H E N R Y VIII.

Whilst the history of the reign of Henry VIII. remains unexpunged from the annals of this country, it is impossible for the people of England to

<sup>1</sup> *Refauranda*, by Fabian Philips, p. 24. who says, that Lord Salisbury specified that sum to king James. See also Stevens, p. 171.

<sup>2</sup> Hume, vol. iii. p. 411.

under-

Revenue of  
England  
under the  
new Go-  
vernment.

undervalue the happiness and security, which necessarily results from a free constitution. They may perceive, by a review of his imperious and arbitrary sway, to what miseries they would have been subject, had the same tyrannical system been continued; and they may thence learn to encounter any danger, however great, in order to preserve that limited form of government which shields them from a thousand oppressions, and from which so many important advantages are derived. In particular, they will find, from Henry's history, that absolute governments are necessarily accompanied with the most intolerable financial exactions, and that the wealth of the people is often wantonly sacrificed, to gratify the passions of the sovereign, or the caprices of his ministers.

ants.

As Henry had so great a treasure left him by his father, he had no immediate occasion, to apply to

and, fully impressed with ideas of his own dignity and importance, he came personally to the House, and after making a long harangue to prove the urgency of the king's necessities, concluded with requiring a grant of £. 800,000 payable at the rate of £. 200,000 *per annum*, for the space of four years\*. So exorbitant a demand had never been heard before within the walls of that house; and the court met with a firmer and stronger opposition than was expected. Only one half of the sum was voted, to which, afterwards, a small addition was made, in consequence of a circumstance which evinces the manner in which Henry treated his parliaments. Finding that the bill of supply had met with such unexpected obstructions, he sent for Edward Montague, a lawyer of distinguished eminence, and one of the greatest leaders of the House, and briefly told him, that if the supply did not pass, his head should answer for it in the morning†.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

In a speech which Wolsey made to parliament, the increase of the customs is mentioned as a strong proof of the increasing wealth and opulence of the kingdom; and it is certain, that tunnage and poundage were paid during the whole of Henry's reign. There is some difference of opinion in regard to the manner in which these duties were

*Customs.*

\* Hume, vol. iv. p. 47.

† Parl. Hist. vol. iii. p. 35. This anecdote, however, is only traditional.

granted.

venue of  
Ireland  
for the  
Government.

granted. Hume states, that Henry had levied them for six years by his own authority, without any sanction from parliament". But Gilbert asserts, that they were expressly given by parliament in the first year of his reign<sup>r</sup>.

poll-tax.

In the fourth of Henry, a poll-tax was granted in addition to other impositions. A duke was charged ten marks; an earl four pounds; a baron two pounds; a knight thirty shillings; and besides other rates, every person of fifteen years of age, and upwards, was charged four pence<sup>r</sup>. This tax, which was imposed with some degree of attention to the wealth and station of the different ranks of the people, was paid without much opposition.

feudal prerogatives.

The feudal prerogatives of the Crown were becoming every day less profitable. A perpetual struggle was maintained between the superior and the vassal, in which the latter was generally the most successful: and among other artifices it

property, and consequently could not be made liable. In some degree, to remedy what was then considered as a very dangerous abuse, Henry proposed, that every man should be permitted to dispose of one half of his landed property in trust, and that the other half should be subject to the former incidents of the feudal tenures. This compromise, though agreed to by the Lords, was rejected by the Commons. But such was the subjection under which parliament was held by the daring and imperious Henry, that it never ventured to oppose his will without having reason to regret it. On this occasion, he procured a decision of the judges in his favour, and not long afterwards, the Commons were reluctantly compelled to agree to an act, by which it was declared, that the person who reaped the use, or enjoyed the profits of the estate, should be deemed the proprietor<sup>2</sup>. Thus, instead of the half, the whole of their lands were again made subject to these feudal burdens.

*Revenue of  
England  
during the  
Tudor Go-  
vernment.*

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At the era of which we are now writing, England was unquestionably the richest jewel in the papal crown. Besides the uncertain income arising from indulgences, dispensations, &c. the pope was thought entitled to the duty called Peter's pence, and to the first fruits and tenths of all the benefices in the kingdom. The annates, or first-fruits, was a tax which the pope received as an equivalent for the first year's profits of every spiritual preferment,

*First-fruits  
and tenths.*

<sup>2</sup> Hume, vol. iv. p. 108 and 151. 27 Hen. VIII. cap. 10.  
See also 32 Hen. VIII. cap. 1.

originally

revenue of  
land  
or the  
for Go-  
vernment.

originally introduced into the kingdom in the reign of king John, whose misconduct had reduced him to a total subserviency to the church of Rome. It is calculated, that in the space of about fifty years, no less than £. 160,000 had been sent from England on account of that claim alone<sup>a</sup>. Upon Henry's quarrel with the pope, and his being invested with the title of head of the church of England, the first-fruits and tenths were annexed to the revenue of the Crown<sup>b</sup>. With regard to Peter's pence, and the various modes which had been invented by the church of Rome, of fleecing the people, under religious pretences, they had been previously abolished<sup>c</sup>.

money from  
sign  
ces.

Henry imitated his father's example, in endeavouring to reap pecuniary advantages from the treaties he entered into with foreign powers. Tournay having been taken by the English, 600,000

Under Wolsey's administration, an attempt was made, which, had it succeeded, would have proved the entire ruin of the liberties of England. It was to raise money by royal proclamation. Commis- sions were issued for that purpose; and it was intended to exact four shillings in the pound from the clergy, and three shillings and four-pence from the laity. So illegal and exorbitant an imposition, occasioned the greatest clamour and discontent in every corner of the kingdom; and a dangerous rebellion would have followed, if the king had not denied having any knowledge of the imposition; and publicly declared, that his necessities, however great, should never make him attempt to raise money by any other means than by the voluntary consent of his people, or the sanction of parliament<sup>f</sup>; a declaration, however, to which he did not strictly adhere, during the middle and latter part of his reign.

*Revenue of England under the Tudor Government.*

*Wolsey's system of extortion.*

There is no mode, by which a needy and tyrannical sovereign, may acquire inconsiderable sums of money, with greater detriment to his subjects, than by tampering with the coin. From the Conquest, to the reign of Henry VIII., the old standard of fineness had been generally preserved; and, although some base metal had been mixed in our coin, yet the adulterations were gradual, and consequently less pernicious. But Henry, besides enhancing the

*Debasing the coin.*

<sup>f</sup> Hume, vol. iv. p. 61. Parl. Hist. vol. iii. p. 38. Godwin's Annals, p. 40.



*venue of  
Ireland  
for the  
Govt.*

price of gold and silver to a considerable degree, disgraced himself so far, as to coin base money; and to order it to be current by proclamation<sup>r</sup>.

*ins.*

no 1523.

It was natural for a prince like Henry, reduced to considerable difficulties by his own extravagance, to imitate the example of some of his predecessors, in extorting compulsive loans from his subjects. He began with demanding particular sums from some wealthy individuals; but soon afterwards he imposed a general tax, under the pretended name of a loan, amounting to five shillings in the pound on the clergy, and two shillings on the laity<sup>b</sup>. It is said, that the plan was proposed by Wolsey, who was then in the height of his power; and whose friends, to prove their attachment to him, largely contributed. But they had soon reason to repent of their zeal; for an act was passed, abolishing all the debts which the king had incurred since his ac-

Notwithstanding this abolition, another loan was exacted; and Henry had even begun to repay some part of the money that he had borrowed; but his exchequer was not adequate to so great an undertaking; and he found it necessary to procure another act, which not only freed him from his incumbrances, but by which those who had been paid either in whole, or in part, were obliged to refund any sum they had received<sup>1</sup>. What rendered the loans in the reign of this king particularly obnoxious, was, that the people were compelled to reveal the extent of their fortune upon oath, and were charged accordingly<sup>2</sup>.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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Of all the plans which he pursued for raising money, that which passed under the name of a Benevolence, was unquestionably the most tyrannical. To extort money from his subjects, illegally, was not sufficient; but Henry had the insolence to compel them to give that as a free gift, which was actually forced from them by compulsion. To the first benevolence that was exacted, he himself gave the name of the *Amicable Graunte*<sup>3</sup>; yet such as refused to pay the sum that was expected from them, were threatened with punishment. In the thirty-fifth year of his reign, he extorted £.70,000 under the same pretence; and meeting with much opposition from the citizens of London, on whom such exactions were particularly severe,

*Benevo-  
lence.*

<sup>1</sup> 35 Henry VIII. cap. 12.

<sup>2</sup> Stevens, p. 181.

<sup>3</sup> Stevens, p. 180. Noy, p. 49.

HISTORY OF THE PUBLIC REVENUE Part I.

of he took care to make an example of two of the  
d most refractory aldermen ; the one, by fine and im-  
he prisonment ; and the other, by compelling him to  
Do- serve in person against the Scots, by whom he was  
nt. taken prisoner<sup>m</sup>.

on But Henry's extravagance was such, that all or-  
rch. dinary expedients for raising money, and every  
mode of extortion, that had ever been formerly  
practised in England, were inadequate to his ex-  
pences ; and a variety of circumstances concurred  
to make the wealth and property of the church, a  
desirable object of his rapacity. The risk which it  
had run in the reigns of Henry IV. and of Henry  
V. has already been taken notice of ; and the prin-  
ciples of reformation which Wickliffe preached  
up at that time, had since met with more encour-  
agement, and been carried to greater lengths, under  
the banners of Luther and of Calvin. Wolsey

many vices, incompatible with the strict and austere life they professed, was easily persuaded, that their wealth could be better employed, than in ministering to their voluptuousness<sup>o</sup>.

*Revenue of England under the Tudor Government.*

The means pursued by Henry were highly politic. He first procured, both from his church and parliament, a recognition of his right of supremacy; and then, as head of the church, he appointed Cromwell his vicar-general, and directed him to employ commissioners on whom he could depend, for the purpose of visiting the different monasteries, and of making the strictest inquiry into the lives, morals, and behaviour of those by whom they were inhabited. It is said, that discoveries were made, so unfavourable to the character of these religious hypocrites, as to render their suppression popular with the people, as well as profitable to the crown<sup>p</sup>.

*Means pursued by Henry.*

The first attack upon the patrimony of the church, was by an act of parliament passed *anno* 1536; by which, under the pretence, that no reformation of the vices of the monks in the lesser monasteries could be effected, but by their dissolution, all such institutions, possessed of revenues under £. 200 a year, were given to the crown<sup>q</sup>. Three hundred and seventy-six monasteries were

*Suppression of the lesser monasteries.*

<sup>o</sup> Cranmer was convinced, that the reformation could not be carried on, unless the monasteries were suppressed, Burn's Eccles. Law, *vide* Monasteries.

<sup>p</sup> Hume, vol. iv. p. 150.

<sup>q</sup> 27 Henry VIII. cap. 28.

revenue of  
England  
under the  
old Go-  
vernment.

suppressed by this act; whose landed property produced above £. 32,000 *per annum*, and whose personal effects yielded above £. 100,000, though disposed of greatly under their value.

suppression  
the  
greater mo-  
nasteries.

1533.

The wealth which Henry had thus procured, was, however, soon exhausted; and his necessities impelled him to carry still farther a plan attended with so much gain. Accordingly, two years afterwards, in consequence of a second visitation, the greater monasteries were suppressed; and six hundred and five great abbeys, together with ninety colleges, and a hundred and ten hospitals for the relief of the poor, were annihilated by one act. The monks, dreading the king's resentment, had, in general, previously delivered up their property into his hands; and all doubts were removed by this act, in regard to the legality of such surren-

whole, an act was passed, by which parliament granted to the king the revenues of the two universities; and of all the chantries, free chapels, and hospitals in the kingdom\*.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

*Anno 1542.  
Value.*

It was imagined, that the great value of the religious houses, which were thus suppressed, would have furnished the crown with such an addition to its income, as to render any farther application to parliament for new grants unnecessary. In the reign of Henry IV. the income of the church had been computed at 485,000 marks; and it was supposed, that its revenues must have greatly increased so many years after. But the clergy had been prepared for the blow. With a view of rendering themselves popular, their estates were let at very moderate rates; and, instead of an addition of rent, they were accustomed to exact small fines when the leases were renewed. Besides, the commissioners who were appointed to visit the monasteries, expecting either to procure a grant of some of the lands they surveyed, or to purchase them at low prices, undervalued them as much as possible; and the income of the whole was only given in at £.152,517 18s. 10d. *per annum*, gross rent, and was stated at no more than £.131,607 6s. 4d. net produce, after all deductions\*. The real value of these possessions, however, was inconceivably great. It appears from an account drawn up *anno 1717*,

\* 37 Hen. VIII. cap. 4.

† Hume, vol. iv. p. 182.

‡ See a particular account of them, Stevens, p. 213.

venue of  
England  
under the  
old Go-  
vernment.

that the annual income of the houses suppressed by Henry, must have then amounted to about £.273,000; and at a moderate computation, would now yield at least six millions *per annum*<sup>a</sup>. The abbey of St. Albans, which was valued only at £.2500 *per annum*, possessed estates, which, a century after the suppression, brought in £.200,000 a year<sup>b</sup>.

Henry's  
suspicion.

Many suggestions had been thrown out, by zealous and public-spirited men, to render the revenues of the church useful to the public. Among other plans of a beneficial nature, it was proposed, to found seminaries for the study of law; for the acquisition of useful languages; and for the education of those intended for foreign embassies, or to fill the high offices of the State. But Henry's prodigality rendered all such schemes abortive. Instead of sixteen, as he had originally proposed, he was only able to erect six new bishoprics. The im-

poor; and it was much apprehended, that the latter would become a load upon the public, in consequence of the suppression of the former. Large quantities of the church lands, therefore, had been sold at easy rates, that the purchasers might be enabled to keep up the hospitality, and charitable donations, which had been practised by their predecessors; and a penalty of £.6 13s. 4d. *per* month was imposed upon such as failed in the obligation<sup>c</sup>. An attempt was made, in the year 1536, to lay this burden upon the secular clergy; the incumbent of every parish being ordered to set apart a considerable portion of his revenue for repairing the church, and for supporting the poor<sup>d</sup>. It is not known how long this regulation continued in force; but it is certain, that after many other ineffectual endeavours, it was at last thought necessary to compel the parish where the poor were born, or where they acquired a settlement, to provide for their maintenance: a grievous burden, which, it is supposed, amounts at present to above three millions *per annum*.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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In the reign of Henry, a general survey was made of the whole kingdom; of the number of the inhabitants, their age, professions, wealth, income, and every other important particular with which a statesman could wish to be acquainted. The survey is unfortunately lost; and the only information which it contained, at present known, is, that

*Survey of  
the king-  
dom.*

<sup>c</sup> See 27 Henry VIII. cap. 28. § 9, 10. Repealed by 21 Jac. c. 28. § 11.

<sup>d</sup> Hume, vol. iv. p. 170.

the



Revenue of  
England  
under the  
Tudor Go-  
vernment.

the income of the whole kingdom was estimated at four millions *per annum*<sup>s</sup>. It is remarked, therefore, by Hume, that the landed property of the different monasteries that were suppressed, was only equal to about one twentieth part of that sum<sup>s</sup>. But it has been already observed, that the real value of these lands was greatly superior.

## EDWARD VI.

This young prince succeeded to the crown at the age of about nine years. As his reign lasted during the space only of six years and a half, the government must have been in a great measure conducted by the advice of his ministers. Yet, unless the accounts given us by historians are greatly exaggerated, he

acquire popularity, he found it was impossible to carry on the public business without supplies from parliament; particularly after he had engaged in wars with France and Scotland, which the revenues of the crown, impaired by Henry's prodigality, were by no means able to support. In addition, therefore, to tunnage and poundage, some tenths, fifteenths, and subsidies, were applied for, and cheerfully granted.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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The reign of Edward is remarkable for an attempt to lay a poll-tax upon sheep: every ewe, kept in a separate pasture, was charged three-pence; every wether, two-pence; and all sheep kept on commons, three halfpence. But the tax was found so difficult to collect, or so oppressive, that it was repealed in the next year<sup>1</sup>.

*Tax on  
sheep.*

England began, about this time, to make a distinguished figure, as an industrious and commercial nation; and the manufacture of woollens, in particular, was raised to such a height, that it was supposed able to bear an imposition. A tax of eight-pence in the pound, therefore, was laid upon all cloth made for sale in England. But this, and the duty upon sheep, joined together, were found so oppressive, upon an article which had not arrived at its maturity, that they were both repealed after a short trial, though they had been granted for three years<sup>1</sup>.

*Tax on  
woollen  
cloth.*

<sup>1</sup> 2 & 3 Edw. VI. cap. 36.

<sup>2</sup> 3 & 4 Edw. VI. cap. 23.

<sup>3</sup> Stevens, p. 225.

revenue of  
land  
in the  
or Gov-  
ernment.

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y.

The kings of England, since the reign of Edward IV. had constantly endeavoured, to procure some pecuniary compensation from the crown of France, for the right they claimed to the sovereignty of that kingdom. Mention has been made already, of the treaties between the two crowns in regard to this demand. In the reign of Edward, the arrears of the annuity amounted to two millions of crowns. But the king of France (Henry II.) absolutely refused to pay any part of the sum, declaring, that he would not suffer himself, or his kingdom, to be tributary to any one; and as a treaty was concluded, in which no notice was taken of this claim, it has ever since been considered as totally abandoned<sup>k</sup>.

of Ecu-  
ca

The town of Boulogne was the only acquisition which Henry VIII. had made, in a war which is said to have cost the sum of 6,120,000 sterling

that 20,000 pounds weight of bullion were ordered to be coined, so as to yield the king a profit of £.140,000<sup>m</sup>. The usual consequences ensued from so pernicious an attempt. "The good coin was hoarded or exported, base metal was coined at home, or imported from abroad in great abundance; the common people, who received their wages in it, could not purchase commodities at the usual rates; an universal diffidence and stagnation of commerce took place, and loud complaints were heard in every part of the kingdom." It is remarked by the same historian, that in consequence of the importation of some bullion from Sweden, good specie was again coined, and some of the base metal formerly issued, was recalled. The Swedes were tempted to send what bullion they could spare into England, in consequence of a treaty of commerce between the two kingdoms; by which they were permitted to export English commodities duty free, provided the price was paid in bullion<sup>o</sup>.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

In Edward's reign, an alteration took place with regard to the customs, which was attended with the most important consequences. A body of foreign merchants, called the Corporation of the Steelyard, had been erected in the reign of Henry III. and had obtained, by patents from the crown, very valuable privileges. In particular, they were ex-

*Customs.*

<sup>m</sup> Mort. vol. ii. p. 456.

<sup>o</sup> Hume, vol. iv. p. 328. Harris on Coins, part. ii. p. 3.

<sup>2</sup> Hume, vol. iv. p. 349.

empted

# HISTORY OF THE PUBLIC REVENUE Part I.

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empted from several duties paid by other aliens, and consequently enjoyed all the advantages of the natives in England, whilst, at the same time, by means of their connexions on the continent, they had a better opportunity of disposing of their commodities at foreign markets. Edward's ministers were fortunately apprised of all these circumstances; and being convinced how necessary it was, to encourage the commerce and navigation of England, they determined to annul the privileges of this foreign company, and persevered in their resolution, notwithstanding the opposition and remonstrances of the principal trading cities in Europe. Aliens duty being thus imposed, upon all foreigners without distinction, the natives of the country were led to engage in commercial undertakings, with greater eagerness than formerly, with more profit to themselves, and more advantage to their country.

were thus annexed for purposes of the greatest national utility. They were appropriated for erecting schools; for augmenting the seminaries of learning in the two universities; for the better provision of the poor, and for discharging the king's debts. But as ministers of state were then endowed with deaneries, prebends, and other spiritual preferments, it was easy to perceive into whose hands they would fall. Nor was this the only ecclesiastical plunder in the reign of Edward. For the bishop of Winchester and others were deprived of many of their manors, and obliged to change the property they had, for lands and rights of inferior value. The churches were also searched, and the plate, jewels, and every other article of any value belonging to them (one chalice, and one covering for the communion table alone excepted), were appropriated to the use of the crown<sup>r</sup>.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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The distresses of the poor, were, in the mean while daily increasing; and it became more necessary than ever for the legislature to interfere in their behalf. Accordingly, *anno* 1552, an act was passed, empowering the churchwardens in every parish to collect money for their relief; and if any refused to give in charity, or dissuaded others from contributing, the bishop of the diocese was entrusted with discretionary powers to proceed against them<sup>r</sup>.

*Poor's rates.*

The loose government which always takes place during a minority, had flattered many of the ser-

*Fines.*

<sup>r</sup> Stevens, p. 220. 222.

<sup>s</sup> 5 & 6 Edw: VI. cap. 2. Parl. Hist. vol. iii. p. 260.

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vants of the crown with impunity, and encouraged them to commit crimes of a very dangerous nature. It was determined to punish them by heavy pecuniary fines, not only as a chastisement for their offences, but that some advantage might be reaped by the exchequer. Lord Paget, chancellor of the dutchy of Lancaster, conscious of his guilt, surrendered his office, and paid down £.4000; and Beaumont, Master of the Rolls, and Whalley, Receiver of Yorkshire, compounded for their offences by similar means.

The debts contracted by Edward, had been made use of as a strong argument in parliament, to bestow on him the remaining property of the regular clergy; and some of the lands, thus obtained, were actually sold, and the purchase-money applied to free the crown from those disagreeable incumbrances. But such was the rapacity of Ed-

## M A R Y.

The reign of Mary, who succeeded her brother Edward, sufficiently accounts for the detestation in which the English nation has ever since held every attempt to re-establish the Roman Catholic religion in their country, and their dread of having another popish sovereign seated upon the throne. For, during the whole period, we find nothing but disgrace abroad, and misery at home; the most solemn engagements abandoned; and the interests of her kingdom sacrificed, to gratify her pernicious attachment to the religion of Rome, and to the politics of the Spaniards. Fortunately, her reign scarcely exceeded five years; and it may be considered merely as a foil to display the happy and splendid government of Elizabeth, in more lively and more durable colours.

Mary had the duties of tunnage and poundage Grants, granted to her for life, by an act which contains the following singular preamble: "In their most humble wife shewn, unto your most excellent majestie, your poore and obedient subjects and commons", &c." The whole is drawn up in a style which tends to justify the right of the crown to tunnage and poundage, without any sanction from parliament, and indeed, if possible, to ren-

<sup>a</sup> 1 Mary, cap. 18.



10 of der that assembly contemptible. As to other grants,  
d she is said to have received in all but five fifteenths,  
he and three subsidies<sup>x</sup>.  
Te-  
nt.

— The landed property of the crown was perpetually suffering some diminution; and an act, particularly fatal to it, was passed *anno* 1588, by which all grants or sales of the crown lands, which either had been made by the queen, or should be made during the space of seven years posterior, were at once confirmed: a measure which could not fail to produce, and indeed was intended to countenance, a very considerable alienation.  
ees.

1 A bigoted queen, like Mary, could not bear to reap any pecuniary advantage, from that change in religion which had taken place, during the reign of her father, and of her brother. A bill was therefore passed, not only restoring to the church the first fruits and tenths, and all the impropriations

“ dignity thereof, and my crown imperial, cannot  
 “ be honourably maintained and furnished without  
 “ the possessions aforesaid ; yet, notwithstanding, I  
 “ set more by the salvation of my soul, than by  
 “ ten kingdoms, and therefore the said possessions  
 “ I utterly refuse here to hold after that sort and  
 “ title.”

*Revenue of  
 England  
 under the  
 Tudor Go-  
 vernment.*

The principles on which Mary acted in ecclesiastical matters, were so generally obnoxious to her subjects, that when an application was made to parliament for a subsidy, it was rejected ; and many members declared, that it was in vain to bestow riches upon a monarch, whose revenues were thus wasted\*. She was therefore obliged to have recourse to tyrannical extortions to replenish her exchequer. *Anno 1555*, by means of embargoes, compulsive loans, and exactions of a similar nature, she raised about £.240,000 ; and two years afterwards, contrived to fit out, by the same methods, an armament for the assistance of her husband Philip II. king of Spain ; but finding it impossible to supply it with provisions, she seized, for that purpose, all the grain that the counties of Suffolk and Norfolk could furnish, without making the owners any recompense. In short, such was her infatuation for the person and principles of Philip, notwithstanding his indifference and contempt of her, that in order to contribute to his aggrandizement, she made no scruple to tarnish her own cha-

*Extortions.*

\* Stevens, p. 244.

† Hume, vol. iv. p. 422.

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rafter by the most disgraceful rapacity, and to sacrifice the essential interests of her crown and kingdom, without hesitation or remorse.

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Mary imitated her brother's example, in endeavouring to borrow money on the continent. But her credit was so very low, that though she offered 14 *per cent.* interest to the town of Antwerp, for the loan of £.30,000, she could not obtain it, until she had compelled the city of London to join in the security<sup>b</sup>.

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revenue.

We are told by Hume, that the revenues of England, in the reign of Mary, *exceeded* £.300,000<sup>c</sup>. It is questionable, whether the permanent income of the crown amounted to so much, particularly after the church-lands, the first-fruits, and tenths, &c. were restored: even in the twelfth year of the reign of Elizabeth, the profit of the kingdom, ex-

government, with a popular and acceptable act, to which the nation had not been accustomed since the reign of Richard II. The remission was originally contained in letters patent<sup>a</sup>; which, for the sake of greater security, were afterwards confirmed by parliament. It is to be remarked, at the same time, that the letters patent and the act, only remit the subsidy of four shillings in the pound on lands, and two shillings and eight pence on goods and chattels; but expressly reserve the grant of two tenths and two fifteenths<sup>b</sup>. And so little able was Mary to afford this affected piece of generosity, that she was obliged to borrow £.20,000 at the same instant from the city of London, for the expences of her coronation.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

The reign of Mary, furnishes us with a strong proof of the beneficial consequences resulting to England, from the union with Scotland. For in the acts by which subsidies were granted, the whole counties of Northumberland, Cumberland, and Westmoreland, and the towns of Berwick and Newcastle, and the Bishopric of Durham, were entirely exempted, on account of their vicinity to the Scots, by whose incursions, notwithstanding the superior strength and resources of England, they were perpetually ravaged<sup>c</sup>. It is well known, that what was then called a subsidy, was of the

*Advantages  
of the Union  
with Scot-  
land.*

<sup>a</sup> Parl. Hist. vol. iii. p. 288.

<sup>b</sup> See 1 Mar. sess. 2. cap. 17.

<sup>c</sup> Stevens, p. 241, 242.

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England  
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same nature with the modern land-tax; had not the union therefore taken place, the land-tax at present paid by these towns and counties (which at the rate of four shillings in the pound, amounts to £.31,900) could not have been demanded, upon any principles of justice or equity.

### E L I Z A B E T H.

We are now to contemplate the reign of a sovereign, of whom England has reason to be proud. For though it is certain, that neither her private conduct, nor all the principles of her public administration, were totally blameless and irreproachable; though her attachment to Leicester, and to Essex, betrayed a considerable portion of female

ferred. It is therefore proposed to state, with some degree of minuteness, first, the general nature of the expences in which she was involved; and, secondly, from what sources they were defrayed.

*Revenue of  
England  
under the  
Tudor Go-  
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### Expences.

Elizabeth was put to heavier charges, in providing for the national protection and defence, than any of her predecessors. It was justly remarked by Sir Thomas Egerton, keeper of the great seal, in a speech to parliament, “ that the wars formerly waged in Europe, had commonly been conducted by the parties without any farther view than to gain a few towns, or at most a province, from each other; but that the object of Spain, in the hostilities which it carried on at that time, was no other than utterly to bereave England of her religion, her liberty, and her independence<sup>a</sup>;” it was necessary, therefore, to spare no expence, when such objects were at stake. Nor did the queen content herself with merely defending her own territories; she made her enemies feel the miseries of war at their own homes. Her successful enterprises against the Spaniards are well known; and it is said, that she expended no less a sum than £.1,200,000, from the year 1589, when the war with

*i. National  
defence.*

<sup>a</sup> Hume, vol. v. p. 385.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

2. Ireland.

Spain began, to the year 1593, when she received a considerable supply from parliament for the same popular purpose<sup>1</sup>.

Ireland was a possession, which had not as yet proved, in any respect, useful to this country. Its revenue was reduced to the trifling sum of £.6000 *per annum*, and it required £.20,000, a year additional, out of the exchequer of England, to defray the charges of the ordinary peace establishment\*. This load was far from being relished by Elizabeth and her council; and their frugality proved the source of much expence to the one kingdom, and of infinite misery to the other. For such was the weak state of the Irish government, that it emboldened Tyrone to revolt, whose rebellion continued for the space of eight years, and is said to have cost at the rate of £.400,000 a year, before it was totally suppressed. In the year 1599, £.600,000 were spent there in the space of six months; and Sir Robert Cecil affirmed, that Ireland had cost, in ten years time, the sum of £.3,400,000<sup>1</sup>.

3. Scotland.

Elizabeth's critical situation at her accession to the crown, rendered it necessary for her, to keep up a party in Scotland, attached to her interest, and ready to support her views; and however unwilling she was to engage in unnecessary expences, yet she found it requisite, until her rival, Mary, had fallen

<sup>1</sup> See an account of these extraordinary charges, *Parl. Hist.* vol. iv. p. 364.

\* Hume, vol. v. p. 398.

<sup>1</sup> Hume, vol. iv. p. 474.

into her power, to furnish her Scottish friends with pecuniary, and, occasionally with military assistance. Indeed she artfully contrived to render the politics of Scotland subservient to her own, during the greater part of her reign.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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It was during this æra, that Holland first attempted to render itself independent. As Elizabeth had every reason to be jealous of the power of Philip; and as her subjects had long been connected with the provinces of Flanders in traffic and correspondence, they naturally trusted to her assistance and protection; and, at one period, actually offered her the entire sovereignty of the country. This proposal she had the magnanimity, and perhaps the prudence, to refuse. But she spared nothing to enable them to throw off the Spanish yoke; demanding, instead of the sovereignty of the new States, only security for the reimbursement of her expences: in consequence of which, three of the most valuable fortresses they were possessed of, were delivered up to her, and garrisoned by the English.

4. Holland.

The powerful monarchy of France was, for some time, no small incumbrance on the finances of Elizabeth. The arts of the church of Rome, and the wealth of the court of Spain, had roused such a spirit of opposition to Henry IV. the legal sovereign of the country, that he could not possibly have withstood the united efforts of his enemies, supported by a considerable party of his own subjects, if it had not been for Elizabeth's assistance,

5. France.



revenue of  
Ireland  
for the  
Government.

ance, who advanced him to the amount of £.450,000 in his greatest necessities<sup>1</sup>: a sum which he could never be prevailed upon to repay, notwithstanding the strongest representations of her pecuniary distresses from the war in Ireland, and although he had begun to amass a very considerable treasure<sup>m</sup>.

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ts.

Her predecessors of the house of Tudor, had frequently involved themselves in considerable debts. Her brother Edward owed the sum of £.240,000, and some of her father's and sister's debts were yet unpaid. Elizabeth thought it incumbent upon her to discharge these claims, and actually paid the debts of the crown, with their full interests, to the amount, it is said, of four millions. This, Hume considers to be incredible<sup>n</sup>. But as this sum probably includes both principal and interest, and also the money she raised by loans, which (with only one exception) she usually repaid, there is the

VIII. and of her brother Edward was very great. Though some steps had been taken to remedy this national disgrace, yet the progress was inconsiderable: and before that monster, as she called it, could be conquered, the queen was obliged to borrowed £. 200,000 from the city of Antwerp, to enable her to complete her intentions°. But she did not carry her ideas with regard to the purity of the coin, to the extent that might be wished; for, unfortunately, she was afterwards prevailed on, in the forty-third year of her reign, to divide the pound of silver into sixty-two shillings instead of sixty, the former standard<sup>p</sup>; nay, she was persuaded to give her sanction to the coinage of base money for the use of Ireland. The pretence was, however, specious. It was said, that the great sums of money remitted to Ireland, found their way, through the medium of circulation, into the hands of the natives, who were thus enabled to purchase those supplies of arms and of ammunition, without which they could not have persevered in their rebellion. And it was asserted, that an inferior species of coin could never be employed to procure useful commodities at foreign markets. Her wiser counsellors, in vain, endeavoured to prove the weakness and fallacy of such reasoning<sup>q</sup>. It is said that Burleigh, whilst he lived, would never give way to any pro-

*Revenue of  
England  
under the  
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° Hume vol. v. p. 476.

<sup>p</sup> Folkes on Coins, p. 58. Harris on Coins, part ii. p. 9.

<sup>q</sup> Camden, p. 637.

gifts to Dudley, earl of Leic  
 At one time she gave to the e  
 of £.30,000 ; and is suppose  
 pecuniary favours upon that  
 the value of £.300,000, in w  
 nopoly he enjoyed, was prot  
 the great ministers who were e  
 lic service, she was not over  
 them died in poverty ; and Bu  
 wore owing to his own frugality  
 ship. But to those courtiers w  
 selves with her, by the charms  
 the insinuation or flattery of t  
 vereign was more liberal. The  
*pays bountifully*, though she *re*

Supporting the splendour of  
 fraying the charges to which  
 subjected her (who left, it is

\* Noy, p. 105.

\* Naunton, in his *Feast of Fools*.

thousand suits, of various shapes and colours, in her wardrobe when she died) were the only other material expences during her reign. Let us next see from what resources her income was derived.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

### Resources.

It is impossible, at present, to ascertain the income, which the royal domains produced in the time of Elizabeth. To James I. they only yielded the sum of £. 32,000 but they were supposed worth £. 96,000 *per annum*; when the leases which then existed would expire<sup>†</sup>, and their value would have been still more considerable, had it not been for the queen's system of alienation, who preferred making an almost continual dilapidation of the royal domains, rather than to demand the most moderate supplies from her commons<sup>‡</sup>. In the forty-second year of her reign, in order to procure money for carrying on the war in Ireland, commissioners were appointed, with full powers to confirm the possession of the crown lands, to such as held them by titles liable to be controverted. And in the ensuing year an act was passed, ratifying all the grants and alienations made by Elizabeth, since the 25th year of her reign, whether for value received, or in consideration of a discharge being granted of any of the crown debts<sup>§</sup>. It is said, however, that her

<sup>†</sup> Noy's Rights of the Crown, p. 51, 52.

<sup>‡</sup> Hume, vol. v. p. 473.

<sup>§</sup> 43 Eliz. cap. 1.

grants

of grants in general contained this proviso, that in default of issue male, they were to revert to the crown. A clause, of which the public, at this time, might probably avail itself.

pre- Elizabeth's attachment to what she supposed to be the inherent prerogatives of the crown, is too well known to require being dwelt on. It is said that the income arising from wardship, (which, with other claims of a similar nature, were very rigorously enforced), joined to the revenue of the dutchy of Lancaster, amounted to the sum of £. 120,000 yearly<sup>r</sup>. Of all the feudal prerogatives, that of purveyance was the most obnoxious. The queen at first had victualled her navy under the pretence of that right, but with a view of endearing herself to her subjects, she had afterwards revoked all her warrants, and had given directions to pay for any provisions that had been furnished for that pur-

1590, they were raised from £.24,000 to £.50,000 Revenue of England under the Tudor Government. a year: and Sir Thomas Smith, by whom they had been farmed, was obliged to refund some part of the profits he had received<sup>a</sup>. Tunnage and poundage were granted to Elizabeth for life: but it is remarked by Hume, that these duties were levied previous to the vote of parliament; and indeed it is asserted, in dispatches from her council to her ambassador in France, "that it was as lawful for the queen of England, for her ease and relief, to take impositions of her subjects, of such wares as lyked hir, as it was for other princes to set impositions of theyrs<sup>b</sup>." Thus it appears, that the sanction of parliament, was accounted, by the queen's ministers, a mere matter of form; at least they were politic, or bold enough, to hold that doctrine to foreign courts.

One of the first steps taken by parliament, after the accession of Elizabeth, was to restore to the First-fruits and tenths.

<sup>a</sup> Authors greatly differ with regard to the sum which Smith originally paid. Philips (*Restauranda*, p. 35.) says, that they were raised from thirteen thousand, first to forty-two, and afterwards to fifty thousand pounds. Camden, p. 440. instead of thirteen, makes it fourteen thousand. Naunton, in his *Fragmenta Regalia*, p. 15. says, that in the space of ten years the rent was doubled. But it appears from Brown's translation of Camden (*Appendix*, note to p. 32. l. 16.), that there are some mistakes in the other translation, and I suppose that fourteen has been put down instead of twenty-four thousand pounds.

<sup>b</sup> Forbes's *Full View of the Transactions of Elizabeth*, vol. i. p. 133.

CROWN

lands.

the authority of parlian  
to re-annex to the crown,  
had bestowed on religious  
was empowered, when any  
cant, to seize all the tempo  
on the new bishop an equiv  
and impropriations belongin  
consequence of this regula  
often injured by unfair and  
changes. Nor was this all :  
of some of her most detested  
cessors, she retained the  
bishopric of Ely in her own  
nineteen years ; and it was  
when she promoted a bishop,  
some of its most valuable ma  
nance injurious bargains betw  
bent and some favourite courti

<sup>c</sup> Hume, vol. v. p. 10. Stevens.  
<sup>d</sup> 1771

It is difficult to know, with any degree of precision, what was the amount of the permanent revenue of the crown, at this time. We are told, from respectable authority, that the profit of the kingdom, in the twelfth year of the reign of Elizabeth, exclusive of the wards and the dutchy of Lancaſter (which yielded about £. 120,000), amounted to £. 188,197 *per annum*\*, making in all the ſum of £. 308,197. *Anno* 1590, a conſiderable addition was made to the cuſtoms. The whole of her annual permanent income, however, could hardly amount to £. 350,000.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

*Amount of  
the queen's  
permanent  
income.*

Though the expences of Elizabeth's government were very conſiderable; and though her permanent revenue was far from being great, yet the earlier part of her reign is not diſtinguiſhed by numerous grants from parliament. The queen's frugality was ſuch, that expences, however trifling,

*Grants*

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ed to Elizabeth, containing an account of the frauds and abuſes that had been committed by the officers, to whoſe charge this new branch of the revenue had been committed. For particulars, Stevens, p. 248. may be conſulted. One fact, however, may be taken notice of. It is aſſerted in the paper he tranſcribes, (which ſeems to have been drawn up by one of the commiſſioners, or at leaſt by a perſon perfectly acquainted with the whole tranſaction), that the plate, jewels, and moveable effects of the different abbies were worth a million of money, though ſold, by means of the artful contrivances of the commiſſioners, greatly under their value. Nay, that a conſiderable part of the low prices that were given, remained unpaid for many years.

\* Noy's Rights of the Crown.



... , nor would the  
of retrenching her prerog  
the rights and privileges o  
tifying them even in regar  
a successor, for the sake o  
pense<sup>t</sup>. The following i  
mentary subsidies and fifteen  
beth, during the course o  
eighteen subsidies from the

| <i>A. D.</i> |   |   | <i>Year of<br/>her reign.</i> |   |   |
|--------------|---|---|-------------------------------|---|---|
| 1558         | — | — | 1                             | — | — |
| 1563         | — | — | 5                             | — | — |
| 1566         | — | — | 8                             | — | — |
| 1571         | — | — | 13                            | — | — |
| 1575         | — | — | 18                            | — | — |
| 1581         | — | — | 23                            | — | — |
| 1584         | — | — | 27                            | — | — |
| 1588         | — | — | 31                            | — | — |
| 1593         | — | — | 35                            | — | — |
| 1597         | — | — | 39                            | — | — |
| 1601         | — | — | 43                            | — | — |

The value of the grants bestowed by parliament upon this princess, may be thus estimated: Every subsidy amounted to about £.70,000<sup>a</sup>, and as there were nineteen subsidies, they must have produced £.1,330,000. A fifteenth yielded £.29,000; and consequently, thirty-eight fifteenths, was about £.1,103,000. Eighteen subsidies were granted by the clergy, valued at £.20,000 each, consequently equal to £.360,000. The whole, therefore, might amount to about £.2,800,000 which is the sum stated by Sir Robert Cotton<sup>1</sup>; and indeed by Lord Salisbury in parliament<sup>2</sup>. Hume very justly remarks, that if the supplies granted to Elizabeth, during a reign of forty-five years, amounted even to the sum of three millions, it would only make £.66,666 a year<sup>1</sup>.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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Amount of  
the grants.

But Elizabeth's resources did not depend entire-  
ly, either on the ordinary revenue of her kingdom,  
or on the temporary and occasional aids of parlia-  
ment. For the crown, at that time, claimed a  
right of granting exclusive privileges of trading, in  
any article it thought proper, to any person it chose  
to appoint. Such monopolies were sometimes  
sold, and it is probable, yielded considerable sums

*Monopolies;*

<sup>a</sup> See Black. vol. i. p. 310. Subsidies were at first more productive.

<sup>1</sup> See Stevens, p. 206.

<sup>2</sup> See Comm. Journ. vol. i. p. 395. Lord Salisbury however calculates, that there were twenty subsidies, and thirty-nine fifteenths, granted to Elizabeth.

<sup>1</sup> Hist. vol. v. p. 475.

revenue of  
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to the exchequer; and sometimes they were granted, as a reward to those who had distinguished themselves in civil and military employments; but they were much oftener given to the minions of the court, in recompense for their servility.

The number and importance of the commodities which were thus monopolized, is almost incredible. Among many others, historians mention salt, iron, powder, cards, calf-skins, fells, pouldavies, ox-shinbones, train oil, lists of cloth, pot-ashes, anniseeds, vinegar, sea-coals, steel, aquavitæ, brushes, pots, bottles, saltpetre, lead, accidences, oil, calamint-stone, oil of blubber, glassess, paper, starch, tin, sulphur, new drapery, dried pilchards; transportation of iron ordnance, of beer, of horn, of leather; importation of Spanish wools, of Irish yarn, &c. &c. We are told, that when this list was read over in the House of Commons, a mem-

*“and the end is beggary and bondage.”* A single patent, contrived for the advantage of four rapacious courtiers, occasioned the utter ruin of seven or eight thousand industrious subjects<sup>n</sup>. This abuse, and the manner in which so destructive a prerogative was exercised by Elizabeth, is one of the greatest blots in her reign. In vain did parliament interfere. The haughty sovereign would not permit her prerogative to be called in question; and the more the House endeavoured to procure a redress of the grievance, the more resolutely was it maintained. In a speech from the throne, at the dissolution of one of her parliaments, whose conduct she particularly resented on that account; she told them, “That with regard to the patents, she hoped that her dutiful and loving subjects would not take away her prerogative, which is the chief flower in her garden, and the principal and head pearl in her crown and diadem, but that they would rather leave the matter to her disposal.”

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

However, not long after, she issued a proclamation for repealing some of the most obnoxious monopolies; particularly on salt, oil, starch, &c. for which she received the solemn thanks of her Commons<sup>o</sup>.

Nor is it possible totally to acquit this high-spirited princess, of illegal extortion from her sub-

*Extortion.*

<sup>n</sup> D'Ewes, p. 242.

<sup>o</sup> See her famous speech upon that occasion, D'Ewes, p. 659.

blished church. She also  
gative which the crown enj  
bargo on merchandise, if  
like her predeceffor Mary,  
an easy rate, the commoditi

Burleigh's  
system of  
extortion.

The power of the crown,  
the house of Tudor, was fi  
lute and uncontrolled, that  
statesman of his time, actuall  
a system of extortion, which  
credit. In a speech he ma  
council, he proposed the ere  
to be entrusted with a gener  
over the whole kingdom, for  
of abuses. By such methods  
VII. had added greatly to his  
expressed his full expectations,  
tution would procure a great  
royal treasure, than Henry VII  
abolition of the abbies, and the  
nervy of the

rejected; but it is not a little singular, that such a plan, should ever meet with the smallest countenance from an English statesman.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

Elizabeth continued the practice, of which so many examples had been shown by her predecessors, of extorting loans from her subjects, and of imprisoning such as ventured to refuse; and although she took care to repay them when it was in her power, (a very unusual step with the former sovereigns of England,) yet the money that was borrowed, lay in the hands of the crown, without interest, and, consequently, such loans were productive of considerable loss to those from whom they were exacted. By an act in the second year of Richard II., the prerogative of exacting loans had been recognised by parliament; at least, a clause was inserted, exempting none who could not produce a *reasonable* excuse; the justice of which, the king alone had the power of determining. Indeed, this right was supposed to be so firmly established in the crown, that Burleigh proposed to demand a general loan from the people, equivalent to a subsidy, which, if the money was not repaid, was in fact imposing taxes without the sanction of parliament.

*Compulsive  
loans.*

The sovereign of a country, which has since borrowed so many millions, was then occasionally obliged to apply to Hamburgh, Cologne, Antwerp, and other wealthy cities on the continent, for small

*Foreign  
loans.*

Hume, vol. v. p. 460.

P 4

loans.

ner punctuality, and success  
to procure at home the money  
was no longer dependent on  
assistance'.

*Plunder.*

In the course of the war  
important enterprises were  
pence of private adventure  
took a part, in common with  
ceived her proportion of the  
tured. On some occasions,  
equally divided; particularly  
ble ship having been taken  
bisher, supposed to be worth  
thousand pounds, a tenth of the  
the queen was entitled to from  
vessel. But this sum was far from  
and they were glad to give her  
of the claims, to which they had  
been made liable, in favour of  
in the adventure'.

It may be proper here to

loan, or of foreign plunder. *Anno* 1571, some merchants of Genoa had contracted to transport 400,000 crowns, for the use of Philip's forces in the Netherlands. The ships, on board of which the money was put, being attacked by some French privateers, were glad to take shelter in the English ports; and the money was seized by Elizabeth, under the pretence that it was the property of the Genoese merchants, from whom she would borrow it herself, having occasion for money. This circumstance not only greatly contributed to the war that arose between Spain and England, but was also attended with other important consequences; for the want of this supply, being likely to occasion a mutiny in his troops, reduced the duke of Alva to the necessity of raising money, by methods of so oppressive and tyrannical a nature, that it gave rise to the revolt of the Dutch, and the independence of their republic\*.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

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The possessions of England on the continent, had *Calais* been reduced, previous to the accession of the house of Tudor, to the town and inconsiderable territories of Calais; and even that last remnant of the conquests made by the Henrys and the Edwards, had been recovered by the French, during the disgraceful administration of Mary. It was a town which France was determined not to give up, and which England could not avowedly relinquish. But as both parties were equally desirous of peace,

\* Hume, vol. v. p. 194.



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er the  
for Go-  
nment.

no 1563.

it was at last agreed upon, that the French should hold Calais for the space of eight years, at the end of which it was to be restored, under the penalty of 500,000 crowns; the receipt of which was not to destroy Elizabeth's title to that possession. Five hostages were given for the performance of this article, who were afterwards released for the sum of 220,000 crowns. Her claim, such as it was, she still retained; and at the end of the stipulated period, care was taken to demand the restitution. The French, however, found pretences sufficiently plausible to evade their engagement; and the queen thought it better to submit to the loss, than to prosecute so doubtful a title, by a war, equally dangerous and expensive, and at that time peculiarly unseasonable \*.

ount of  
income.

It is evident, from this long enumeration of the various sources which contributed to fill the coffers

of £. 5,513,717 : 11 : 1½, of which £. 4,718,579 *Revenue of England under the Tudor Government.*  
 2 : 8½ was in silver, and only £. 795,138 : 8 : 4½  
 in gold. This includes silver to the amount of  
 £. 85,646 : 19 : 5½ employed in coining the base  
 money, issued for the use of Ireland<sup>a</sup>.

We are told, that the office of postmaster-general *Post office.*  
 existed in England during this reign<sup>b</sup>. Some  
 post-houses consequently must have been erected.  
 But the post-office was productive of expence, and  
 not of revenue, until the time of the common-  
 wealth.

The heavy burden of maintaining the poor, *Poor's rates.*  
 which it was imagined would have been provided  
 for by voluntary contribution, or would have fallen,  
 either on the possessors of the church-lands, or on  
 the secular clergy<sup>c</sup>, became in the reign of Eliza-  
 beth a general tax upon the community. The  
 situation of the poor, before the acts were passed  
 for their relief, is represented as most deplorable;  
 and even after they had a legal title to support, the  
 assessments were so low, that it is said many perish-  
 ed for want<sup>d</sup>. Besides the taxes levied for the re-  
 lief of their parochial poor, every parish was also  
 charged from two to eight shillings a week, for the  
 maintenance of sick and wounded soldiers and sea-

<sup>a</sup> Folkes on Coins, p. 65. Note. <sup>b</sup> Camden, p. 261.

<sup>c</sup> It appears from D'Ewes, p. 561. that a bill for relieving  
 the poor out of impropriations, and other church livings, was  
 lost by 29 votes. The Ayes were 117, the Noes 146.

<sup>d</sup> Stevens, p. 254, 255. 262.

men,

venue of  
land  
the  
or Go-  
ment.

men, for whom there was then no regular provision.

125

Elizabeth left behind her debts to the amount of about £. 400,000, which were paid by her successor. But that sum was much more than compensated, by the claims to which, at her death, he was entitled. The king of France owed her £. 450,000. The states of Holland were indebted in no less a sum than £. 800,000, a considerable part of which was paid; and the subsidies due to Elizabeth, when she died, amounted to about £. 350,000 which James received soon after his accession.

subsidies re-  
sented and  
jou.

This reign is distinguished for the last example in the English history, of a subsidy being rejected by the sovereign, when offered by the people; and Elizabeth publicly declared, on that occasion, that she considered it to be the same thing, whether the money they offered was in the pockets of her sub-

administration. When her crown was in danger, in consequence of the warlike preparations of Philip king of Spain, who fitted out, what he called, an Invincible Armada, for the conquest of England, and the capture of Elizabeth; the spirit and loyalty of the people are hardly to be conceived. The nobility and gentry fitted out forty-three ships at their own expence. London, and the other principal ports in England, voluntarily equipped double the number of vessels that was demanded. Formidable armies were collected without difficulty or murmur. Every direction given for the better security of the coast, met with a prompt and cheerful obedience; and each person, in proportion to his ability, furnished pecuniary assistance, and gloried in an opportunity of displaying his attachment to his sovereign, and his zeal to preserve the liberties and independence of his country.

*Revenue of  
England  
under the  
Tudor Go-  
vernment.*

Such were the different modes adopted under the government of the house of Tudor, for raising a revenue. During this æra, some progress was made in finance; the advantages of public credit, and of a strict adherence to public faith, were discovered by the politic and sagacious ministers of Elizabeth; and the customs, and other branches of the revenue, were rendered more productive. But the period is particularly remarkable, for laying the true foundation of the poverty of the crown, and of the consequent power and importance of the commons. When the emperor Charles V. was told,

*Conclusion  
of this  
chapter.*

*enue of  
land  
& the  
of Go-  
vernment.*

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told, that Henry had suppressed the monasteries, he judiciously remarked, that the king of England had killed the hen that laid him the golden eggs.

In fact, the opulence of the church was always a sure resource for the crown to look up to. The clergy could hardly evade any burden the king might chuse to impose. When, in addition therefore, to the royal domains, the property of the church was squandered, the sovereign had nothing to depend on, but the assistance of the nation at large, through the medium of its representatives; and Elizabeth's successors found, that such assistance could not be procured, without redressing the grievances of the people, and agreeing to such farther security for their rights and privileges, as they might think proper to demand<sup>h</sup>.

<sup>h</sup> In a work printed by Stafford and Davenport. for S.

## C H A P. IX.

*Of the Revenue of England, from the Accession of the House of Stuart, to the Revolution 1688.*

THE accession of the house of Stuart to the throne of England, and the consequent union of the two crowns, it was imagined, would have at once been attended with the most beneficial consequences to both kingdoms. Unfortunately, however, such happy prospects were blasted, first, by the imbecility of James's character, and afterwards, by the infatuation and obstinacy of his successors. Whereas, if that monarch had acted with vigour and prudence, and if his posterity had avoided the rocks of despotism, and of tyranny, on which they split, Great Britain might have reached its full maturity at a much earlier period. But the domestic quarrels in which these kingdoms were involved, besides retarding their progress, and exhausting their strength, enabled France to acquire a degree of power and influence, which could not afterwards be checked without the utmost efforts; and the usual revenue of the country being inadequate to such exertions, the foundation was unfortunately, but almost necessarily laid, of that heavy load of debt with which we are now incumbered.

Revenue of  
England.  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.

In addition to the weakness of this monarch's conduct, and the high notions which both he and his

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olution  
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his successors entertained of the inherent prerogatives of the crown, other circumstances concurred to retard the British monarchy in its progress towards its meridian strength and glory. The former jealousy and rancour between the English and the Scots still continued; and every plan of uniting the two countries met, particularly on the part of the English parliament, with various obstructions. The attention of both kingdoms was also taken up by religious controversies; and, at last, a fatal contest arose, with regard to the revenue of the crown, and the franchises of the people, and indeed respecting every branch of the constitution, however important or minute; and the consequence was, a series of calamities, which even the history of England can hardly parallel.

The circumstances have already been pointed out, which had contributed to diminish the income

reduced to poverty, at a time when it was natural for the sovereign to aspire to an equality, in point of magnificence and expence, with the other monarchs of Europe; or, at least, to preserve the same appearance, when compared to his own subjects, by which the rank and dignity of his predecessors had been supported. Whilst these circumstances, led the crown to wish for a great and independent revenue, the people reluctantly subjected themselves to every unusual burden; and were determined, unless in a legal manner, by the votes of their representatives in parliament, not to part with any share of the property acquired by their own industry and labour. Learning also began to flourish, and to be very generally diffused; the rights of mankind, both to civil and religious liberty, were every day more frequently discussed, and the more they were examined, appeared the clearer and better founded; and from natural differences of opinion, between the crown and the people, as to those important articles, disputes arose, which, in the reign of this monarch's successor, were attended with circumstances equally singular and important<sup>a</sup>.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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### Revenue of JAMES I.

It might naturally be expected, that a prince who had been so long accustomed, to live upon the

<sup>a</sup> Hume, vol. vi. p. 47.



venue of  
England  
in the  
cession of  
House of  
part to the  
solution  
§§.

slender revenue which Scotland could then afford, would have carried with him to the throne of England, some inclination to frugality ; but the contrary was visible during his whole reign : and though, in consequence of his great care to avoid engaging in wars, his expences were almost entirely of a domestic and personal nature, yet they constantly exceeded his income ; particularly in the year 1610, to the amount of £. 81,000 <sup>b</sup>, though afterwards reduced in 1617, to £. 36,617 a year <sup>c</sup>. The excess, he trusted, parliament would some time or other supply, and therefore could hardly be prevailed upon, to make the necessary retrenchments, or to establish any economical arrangement.

Expences.

the king of Denmark, twice visited the court of London, and James was far from discouraging the expences which such visits necessarily occasioned. The charges attending the marriage of the king's daughter, to the Elector Palatine, including the portion of that princess, amounted to £. 93,278, a much larger sum than had been expended by any of his predecessors on a similar occasion; and this prince, who had not a spark of avarice in his composition, but loved delicate and luxurious living, was far from being sparing in the expences of his table\*.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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It was at first imagined, that the king's prodigality to those for whom he entertained a regard, originated from national attachments. His inconsiderate gifts and bounty, to some of the Scotch nobility and gentry who attended him to England; and in particular, the unmerited favours which he conferred, on the infamous Car, earl of Somerfet, were attributed to a blind partiality for his countrymen. But James clearly demonstrated, that he could be as profuse to an English, as to a Scotch favourite. His bounty to Villiers duke of Buckingham was unlimited. This despicable minion, formed by nature to be only the pageant of a court, was raised, at once, to the summit of power, of honour, and of wealth. The highest offices of the state were centered in his person; the most

a. Bounty to  
favourites.

\* In Macaulay's History of England, we have many instances of this monarch's profusion. See vol. i. p. 22. 34. note 39. 65. 88. 104. 114. 153. &c.

venue of  
England  
in the  
session of  
House of  
part to the  
resolution  
88.

important transactions were conducted according to his humour and caprice; and, whilst his enemies were openly discountenanced, those who boasted of the most distant connexion with himself, or his family, were enriched with the most unbounded profusion<sup>e</sup>.

The king was not contented with giving his favourites, the most lucrative employments of the state, and considerable grants from the royal domains, but gifts in money, of great value, were also lavished on them. In the first fourteen years of his reign, £.424,469 were thus expended<sup>e</sup>. One of his minions, Rich, afterwards created earl of Holland, happened to whisper in the king's presence, how happy it would make him, to be master of a sum of money, amounting to £.3000, which a porter was carrying to the treasury; in consequence of so trivial a circumstance, the whole load was given to

It has already been observed, that in the reign of Henry III. his eldest son, afterwards Edward I. had an income of only 15,000 marks; but after the conquest of Wales, the revenues of that principality, together with the dutchy of Cornwall, and earldom of Chester, were given to the eldest son of the reigning monarch, to defray the charges of his court. These possessions yielded, in the time of Edward the Black Prince, £. 9982 : 12 : 7 which was then a very considerable income. But James exceeded all his predecessors, in his liberality to the heir apparent: for he bestowed on Henry Prince of Wales, his eldest son, a clear revenue amounting to £. 51,415, equal to at least £. 150,000 of money at this time. Henry, whose death is much regretted by all the historians of that reign, had given early indications of great application, joined to the strongest natural powers; and he seems to have been well entitled, to every possible mark of his father's attention and liberality. His premature death was therefore justly considered as a great national loss, it being more than probable, that his talents, equally splendid and popular, were better calculated than those of his brother Charles, to prevent the fatal distractions by which the constitution was overwhelmed.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

*1. Prince of  
Wales.*

During the reign of James, as well as of his predecessor, Ireland continued to be a heavy load on the exchequer of this country. At one time, an army of 19,000 men was kept up there, whose maintenance, from the high pay which even the

*4. Ireland.*

revenue of  
England  
from the  
cession of  
the House of  
Stuart to the  
revolution  
1688.

Palati-  
ne.

common soldiers received, amounting to eight-pence a day, was not a little burthensome. It was also necessary to transmit the money from England, in consequence of the low state of the Irish treasury<sup>k</sup>.

The Elector Palatine was induced, by his own ambition, and his reliance on the countenance and aid of the powerful monarchy of England, to engage in a plan of adding to his former territories, the kingdom of Bohemia; and when he proved unsuccessful in this attempt, and was even driven from his patrimonial possessions, he put the English nation and its sovereign to very considerable expences, James asserts in a speech to parliament, that besides the voluntary contributions of the English remitted to the Palatine, he had expended a very considerable sum in his cause<sup>l</sup>. The king's paci-

vour to procure a restoration of the Palatinate, by means of a treaty ; but finding that mode ineffectual, he was obliged to have recourse to arms, in which he proved equally unfortunate.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

Before the reign of Elizabeth, the navy, excepting in time of war, was not an expensive department. In her time it amounted to £. 30,000<sup>m</sup>. But James was at first particularly attentive to his fleet, and annually expended £. 50,000 in repairing and keeping up this bulwark of his kingdom, exclusively of timber from the royal forests, to the amount of £. 36,000. He afterwards abated £. 25,000 *per annum* in this important article<sup>n</sup>.

6. Navy.

The only remaining material expence incurred by James, was, paying off the debts of Elizabeth, amounting to about £. 400,000, being money borrowed upon the credit of subsidies, the produce of which he received. Nothing can be more disgusting, than to hear this sum, and the charges of her funeral, made use of as strong arguments with parliament, to augment their supplies. In return for such a crown as England, James ought surely to have defrayed, without notice or complaint, the small incumbrances of his generous predecessor, and the insignificant cost of her interment.

7. Elizabeth's debts.

Let us next consider from what sources his revenue was derived.

<sup>m</sup> Noy's Rights of the Crown, p. 8. Stevens, p. 272.

<sup>n</sup> Parl. Hist. vol. v. p. 316.

Revenue of  
England  
in the  
session of  
House of  
Commons  
part to the  
resolution  
188.

of tunnage and poundage for life. But the more productive this branch of the revenue became, the greater anxiety did the crown feel, to enjoy it in its own right, without the necessity of any application to parliament. Thence originated the dispute, so warmly contested between James and his commons, with regard to the power of levying customs, and of adding to the rates of the duties that were imposed. The payment of customs by natives, at least to any amount, certainly originated in the grants of parliament; but the crown had so long received these duties, that it began to consider the customs as a permanent branch of its revenue. Both Mary and Elizabeth, had shown James the example, of altering the rates on some particular commodities. The same practice he intended to pursue, and to carry to a considerable height, though he was at first cautious not to give umbrage by any

ment was proceeding to take similar steps, when it was suddenly dissolved; and thus the dispute remained undetermined in this monarch's reign.

The amount of the customs was rapidly increasing. At James's accession they yielded only £.127,000 a year. The following is a state of their produce, *anno* 1613:

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

|                       |   |          |           |    |            |        |   |
|-----------------------|---|----------|-----------|----|------------|--------|---|
| At the port of London | { | Outwards | -         | -  | £. 61,322  | 16     | 7 |
|                       |   | Inwards  | -         | -  | 48,250     | 1      | 9 |
|                       |   |          |           |    | <hr/>      |        |   |
|                       |   |          |           |    | £. 109,572 | 18     | 4 |
| In all the out-ports  | { | Outwards | £. 25,471 | 19 | 7          |        |   |
|                       |   | Inwards  | 13,030    | 9  | 9          | 38,502 | 9 |
|                       |   |          |           |    | <hr/>      |        |   |
| Total                 |   |          |           |    | £. 148,075 | 7      | 8 |
|                       |   |          |           |    | <hr/>      |        |   |

And, towards the close of this reign, they amounted to about £. 190,000.

The disproportion between London and the out-ports is very great; and proves, how considerable a share of the commerce of this country, has uniformly centered in the capital.

It was asserted by the famous Lord Salisbury, in a speech to parliament, that there are but three instances in the English history, for 600 years, prior to James's accession, of a supply being refused by the commons when requested by the sovereign; and the first parliament that James assembled was as frugal of the public money as any of its predecessors, and would grant nothing but tunnage and poundage. The king, finding them determined,

5. Grants.

7 Comm. Journ. vol. i. p. 395. Hume observes, that Salisbury was mistaken in this assertion. Vol. vi. p. 72. Note R. and



... as follows.

| <i>A. D.</i> |   | <i>Year of<br/>his reign.</i> |   |
|--------------|---|-------------------------------|---|
| 1606         | — | 3                             | — |
| 1610         | — | 7                             | — |
| 1621         | — | 18                            | — |
| 1624         | — | 22                            | — |

These were all the supplies  
 ment; and of these, it is said  
 three subsidies and three fifths  
 1624, amounting to about £.  
 to parliamentary commissioners  
 stated to the king's personal  
 idea has been fully refuted by  
 of this reign, who remarks that  
 missioners received the money  
 tally ignorant how it was exp

upon them by the crown, their power was merely nominal. "One penny of this money, (the king declared,) shall not be bestowed but in sight of your committees: but whether I shall send two thousand, or ten thousand, whether by sea or land, East or West, by diversion or otherwise, by invasion upon the Bavarian, or the Emperor, *you must leave that to your king<sup>b</sup>.*" It appears that a subsidy produced about £. 70,000, and a fifteenth about £. 36,500; \* consequently, the whole parliamentary grants received by James, amounted to about a million. To this, there are to be added about twelve subsidies from the clergy, which, at £. 20,000 each, would produce £. 240,000; and one of the clerical subsidies was at the rate of six, and not of four shillings in the pound; and therefore yielded £. 10,000 additional. One year with another, it is probable that he received, by parliamentary and clerical grants, about £. 60,000 *per annum*, during the whole course of his reign.

James had a price affixed to each rank of nobility, on the payment of which a grant was made out. The dignities of Baron, Viscount, and Earl, might be bought at the rate of ten, fifteen, and twenty thousand pounds: and we are told of four earls, who purchased their respective patents, at the

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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6. Sale of  
honours.

<sup>b</sup> Macaulay's Hist. vol. i. p. 251..

\* See Brief Declaration, &c. p. 70. and 71. Fifteenths formerly produced less on account of the great deductions made for decayed towns.

sum

venue of  
Ireland  
in the  
cession of  
House of  
art to the  
olution  
8.

sum fixed upon, in one year<sup>c</sup>. But the most complete instance of this mode of raising money, either in the reign of James, or, indeed, in the English history, is the creation of baronets<sup>d</sup>. It is supposed, by our historians, that this was a plan invented by Lord Salisbury: but it is more probable, that the idea originated with Sir Robert Cotton, who drew up, *anno* 1609, an account of “the manner in which the kings of England supported and repaired their estates.” In this he remarks, that, “if his majesty would make a degree of honour hereditary as baronets, next under barons, and grant them in tail, taking of every one £. 1000 in fine, it would raise, with ease, £. 100.000; and, by a judicious election, be a means to content those worthy persons in the commonwealth, that by the confused ad-

"mission of many knights of the *Bath*, hold themselves disgraced." The plan was carried into execution *anno* 1611: each baronet, by way of purchase for the honour, became bound to maintain thirty foot soldiers for three years, at eightpence a day each, to assist the king's troops in the reduction of Ulster in Ireland. The price consequently was £. 1095. Ninety-three were created, the sale of whose patents yielded £. 98,550<sup>6</sup>.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

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Among the other sources of dissension between James and his parliaments, that which respected monopolies was of peculiar importance, being equally connected with the commerce and the revenue of the country. The king had annulled, of his own accord, all patents for monopolies by which any species of domestic industry was fettered: but all foreign trade, that of France excepted, was

7. Monopolies.

\* This curious treatise is contained in a small volume, entitled, "*Cottoni Posthuma*," printed *anno* 1672: and the very same work, with some trifling alterations and differences, is printed *anno* 1715, under the title of "*A Treatise of the Rights of the Crown*, by William Noy, Esq. collected *anno* 1634." As Noy's work is printed separately, I have, in general, referred to it. But the work was certainly composed in the reign of James I., and most probably by Sir Robert Cotton. Dr. Smith, in his *Life of Sir Robert Cotton*, says, that it was drawn up at the desire of the Earl of Northampton, and that there are two copies of it in the Cotton library, one in Latin, and the other in English, as published in the *Posthuma*. See Carte's full *Vindication of the Answer to the Bytander*, p. 38.

<sup>f</sup> Brief Declaration, &c. p. 11. Besides some after-creations.

possessed

venue of  
England  
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possessed by exclusive companies; and hence the navigation and commerce of the kingdom, were every day sensibly diminishing. "Thus" (in the strong expressions of Hume) "the trade of England was brought into the hands of a few rapacious engrossers; and all prospect of future improvement, was forever sacrificed to a little temporary advantage to the sovereign." *Anno* 1621, a patent which had been granted to Sir Giles Montpeffon and Sir Thomas Michell, for licensing inns and ale-houses, and another to Sir Edward Villiers, for the sole making of gold and silver lace, came into discussion. The powers given to these patentees were so very exorbitant, and so rigorously carried into execution, that they naturally excited the indignation of parliament. Yelverton, the attorney-general, was fined £.15,000 for having drawn up the patents: Michell and Montpeffon

As early as the year 1604, James had begun the dangerous practice, of compelling his subjects to lend him money on the security of the privy-seal: but it is not known, how much he then procured, or whether any part of it was repaid<sup>k</sup>. Two hundred thousand pounds were afterwards extorted under the same pretence. James's opinion on the subject, he took no pains to conceal: for when the commons petitioned, that no man should be enforced to lend money, or to give a reason why he would not, the king returned for answer, that in matters of loans, he would refuse no reasonable excuse; but that he did not wish to have his conduct directed, by precedents drawn from the reigns of usurping princes, or a people too bold and wanton<sup>l</sup>.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

8. Loans.

James exacted, *anno* 1613, a sum to the amount of £.52,000, under the name of *a benevolence*; but so small an advantage, was certainly no compensation for the odium and unpopularity of the measure. Nor was he much more successful in his second attempt: for though the case was said to be so urgent, that it could not brook the delays that would attend assembling the parliament; and though it was collected to support the popular cause of the Elector Palatine, yet the people, anxious to discourage so pernicious a practice, at first very slowly and reluctantly contributed<sup>m</sup>.

9. Benevolences.

The

<sup>k</sup> Stevens, p. 269.

<sup>l</sup> Macanlay's Hist. vol. i. p. 60.

<sup>m</sup> This benevolence became at last more productive. One Barnes, a citizen of London, who refused to contribute, being  
vol. i. ordered

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The necessities to which this monarch was reduced, made him conclude a treaty with the States of Holland, on terms, in a pecuniary view, indeed, rather beneficial to himself, though, on the whole, not a little favourable to the New Republic. It has already been stated, that the Dutch were indebted to Elizabeth to the amount of £.800,000. Of this sum £.200,000 had been paid to James, and he was to receive the remainder at the rate of £.40,000 *per annum*, until the whole was discharged. But the payment depended upon a very uncertain contingency, namely, the continuation of a truce concluded between Spain and the United Provinces. The politic Elizabeth, had been put in possession of the important fortresses of Flushing, the Brille, and Rammekins, as a security for her debt: but the expences of the garrisons, (which England was obliged to support) amounted to

their country, continued in the hands of England, offered to take the garrisons into their own pay, and to give James £.250,000 for the immediate possession<sup>a</sup>. The terms were accepted; and from the day on which these cautionary towns were evacuated, the complete establishment of the Dutch republic may be dated. Nor was this the only money that James inherited from his predecessor. He also received £.60,000 of the debt which Henry IV. of France owed to that prince's<sup>b</sup>.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

June 6,  
1616.

Anno 1608, the Dutch were compelled to pay an acknowledgment, for the liberty of fishing on the British coasts: a source of revenue, which was attempted to be more fully enforced during the ensuing reign.

<sup>11.</sup> License for fishing,

The last source of James's wealth, arose from the heavy fines which it was then customary to inflict. Forty thousand pounds were imposed upon the earl of Northumberland, and the lords Mordaunt and Stourton, who were suspected of having some knowledge of the famous gunpowder plot, and of concealing it from the king and his ministers. Sir John Bennet, judge of the Prerogative Court, was fined £.20,000. The celebrated chancellor Bacon was sentenced to pay £.40,000, which however was remitted. The earl of Suffolk, who held the office of lord high treasurer, was fined £.30,000 by the court of Star-chamber; and the earl of

<sup>12.</sup> Fines

<sup>a</sup> Hume, vol. vi. p. 80.      <sup>b</sup> Brief Declaration, &c. p. 11.



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Middlesex, in consequence of a parliamentary impeachment, was condemned to pay £. 50,000. If these fines had been all exacted, they would have yielded the sum of £. 184,000, and would have proved no small addition to this monarch's impoverished exchequer<sup>r</sup>.

Account of  
Revenue.

A particular account has been published of James's revenue, during the first fourteen years of his reign, from which it appears, that his ordinary income did not exceed £. 450,863: that the extraordinary sums he had received during that time, amounted to £. 2,200,000 and that his ordinary disbursements exceeded his permanent income £. 36,617 a year<sup>r</sup>. *Anno* 1610, lord Salisbury declared in parliament, that the king was burdened with a great and urgent debt of £. 300,000. His income, from all the different sources above enu-

those days, under a frugal monarch, and in peaceful times, though very inadequate to the splendid manner in which James wished to live, and to those plans of hostility against the house of Austria, into which the commons would willingly have plunged him.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

The scheme afterwards prosecuted by the long parliament, of raising money, by abolishing the order of bishops, and selling the lands belonging to the church, was first planned in the reign of James, and at one period was not a little encouraged by his favourite Buckingham<sup>1</sup>. But the views and politics of the court, upon Charles's accession, took a very opposite direction.

*Church lands.*

*Anno 1624.*

The first lottery to any amount, ever known in England, at least drawn under the sanction of public authority, was in this reign. The profit of it was principally dedicated to defray the expences attending the establishment of our settlements in America<sup>2</sup>; to retain the dominion of which, the produce of so many lotteries, loans, and taxes, has since been so ineffectually expended<sup>3</sup>.

*Lottery.*

The quantity of specie coined in the reign of James, was about £.5,432,000, of which £.3,666,000 was in gold, and only £.1,765,000 in silver<sup>4</sup>. It still continued to be the practice to issue some base money for the use of Ireland.

*Coin.*

<sup>1</sup> Hume, vol. vi. p. 142. Macaulay, vol. i. p. 230.

<sup>2</sup> Mort. vol. ii. p. 512.

<sup>3</sup> See Chalmers' Political Annals of the British Colonies, vol. i. p. 32, 33, 41. and notes, p. 25. &c. Parl. Debates, anno 1624. vol. i. p. 81—99.

<sup>4</sup> Folkes on Coins.

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It is impossible, in this place, not to regret the want of a performance, which lord chancellor Bacon intended to compose upon the finances of England. In a letter to king James, dated 2d January 1618, he says, “ God having done so great things for  
“ your Majesty, it resteth that you do so much for  
“ yourself, as to go through (according to your  
“ good beginnings) with the rectifying and settling  
“ of your estate and means, which only is wanting:  
“ *hoc rebus defuit unum*. I therefore, whom only  
“ love and duty to your majesty, and your royal  
“ line, hath made a financier, do intend to present  
“ unto your majesty, a *perfect book of your estate*,  
“ like a perspective-glass, to shew your estate  
“ nearer to your sight, beseeching your majesty to  
“ conceive, that if I have not attained to that, that  
“ I would do in this, which is not proper for me in

proves, what this great genius was capable of effecting, had he dedicated his time and his abilities, to a full investigation, of the extensive subject he had proposed.

*Review of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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## CHARLES I.

It is difficult to judge impartially, of the important events which took place, during the reign of this unfortunate monarch.

On the one hand, when we contemplate Charles's private character and deportment, we are apt to consider, the multiplied charges against him, as malicious and ill-founded, and can hardly be persuaded, that an affectionate husband, an indulgent parent, and a generous master, could by any means be converted, as his enemies are apt to represent him, into a rapacious tyrant, determined to pillage the property, and to trample on the rights and privileges of his subjects. But on the other hand, if our attention is solely fixed upon public transactions, we naturally run into a very opposite extreme. Even Hume, who has defended this prince's conduct with subtlety, ability, and perseverance, does not scruple to confess, that Charles assumed powers incompatible with the principles of a limited government; and that his disasters ought to be ascribed, neither to the rigours of destiny, nor to the malignity of his enemies, but to his own precipitancy and indiscretion\*.

\* Hist. vol. vi. p. 472.

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These topics, however, are better suited to a political, than to a financial history of England; nor is it proposed to enter into the various important questions agitated at that time, excepting in so far as they may be connected with the particular object of this work.

### 1. Expences.

Though Charles, at his accession, inherited a crown and kingdom, apparently in the most flourishing situation, and enriched, during the course of his father's peaceful, but inglorious administration, yet he had many difficulties, both foreign and domestic, to encounter.

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The conquest of the Palatinate, and the injurious manner in which it was pretended the court of

grant him supplies; and how difficult, if not dangerous, it was, to raise money by other means; and though his connection with the House of Bourbon, ought to have rendered him cautious of rashly entering into a contest with that powerful family, unless on grounds of great weight and moment, yet hurried on by the capricious Buckingham, he ventured to engage in a war with France, even before hostilities against Spain were concluded. This enterprize alone, was much beyond the impoverished state of Charles's finances. An expensive expedition, however, was undertaken to the Isle of Rhe; and five subsidies granted by parliament, *anno* 1628, were expended in an attempt to relieve Rochelle, which, by the artifices of the English court, had been drawn into a rebellion. But Charles was unsuccessful in every foreign enterprize he undertook: and when a peace was concluded, instead of securing terms of oblivion and indemnity to the unhappy Huguenots, whom he had pledged himself to support, he abandoned them to the mercy of their sovereign, after fruitlessly, but it is probable, feebly attempting to procure some stipulation in their favour<sup>2</sup>.

The inglorious foreign wars into which Charles had entered, were terminated by separate treaties

*Revenue of  
England  
from the  
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the House of  
Stuart to the  
Revolution  
1688.*

3. War with  
Scotland.

“ Les Reformes de France n'y furent point compris. Une si grand infidelité après des paroles authentiquement données, et souvent reiterées, sera une flettrissure eternelle à la memoire de l'infortuné Charles I.” Vassor Histoire du Regne de Louis XIII, tom. vi. p. 119.

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of peace. The first was concluded with France, *anno* 1629; the second with Spain, *anno* 1630; and for about ten years afterwards, Charles governed his dominions in peace, and managed his own revenue, together with the sums which he exacted from his subjects, with such a rigid œconomy, that he not only paid off the debts he had contracted, during the Spanish and French wars, but also contrived to amass treasure to the amount of about £. 200,000. Perhaps this circumstance, gave him some encouragement to engage in an enterprize, to which all his misfortunes may be ascribed. Impelled by deference for his clergy, and perhaps by a real conviction of its importance, he resolved to establish, a similitary in ecclesiastical government and ceremonies, throughout all his dominions; and in particular to introduce a liturgy into Scotland, however obnoxious to the natives of that country.

dence, and the English in general reluctantly supported his attempt, justly conjecturing, that the conquest of the Scots, would prove a prelude to the utter ruin of their own liberties. The expence attending these hostilities, reduced the king to such distress, that he found it necessary again to have recourse to parliament; and concessions were extorted from him, which enabled the commons to trample upon the crown, and emboldened the army they had raised, to destroy both the king and the constitution.

*Revenue of  
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from the  
Accession of  
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Revolution  
1688.*

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To the credit of Charles it is to be remarked, that he spared no expence to render his navy formidable. At sea, he had no rival in Europe. The Dutch were compelled to pay £. 30,000 for the liberty of fishing on the British coasts; and Africa, for the first time, felt the maritime force of this country: Salée, the principal receptacle of the Turkish pirates, being destroyed by an English squadron<sup>a</sup>. Even the mound which Richelieu erected across the harbour of Rochelle, was a confession, that it could never be conquered by the arms of France, whilst it remained accessible to the powerful fleets of which England was then mistress<sup>b</sup>.

*4. Naval  
expences.*

This

<sup>a</sup> Macaulay, vol. ii. p. 228.

<sup>b</sup> The French had then no idea of rivalling England at sea. It appears from *Le Vassor's Histoire du Regne de Louis XIII.* liv. xxv. that the fleet of France, at the siege of Rochelle, amounted



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This monarch, with all his frugality, affected much the state and splendour of a king. He kept up twenty-four palaces, all of them so completely furnished, that when he removed from one to another, he was not obliged to transport any article of furniture along with him. His collection of pictures was the most valuable in Europe, and he spared no expence, nay he rivalled Philip IV. of Spain, the master of the Indies, in endeavouring to engross the most valuable productions of the ablest artists.

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It has been much controverted, to whom the odium ought to be ascribed, of the fatal rupture between this monarch and his parliament. Both parties had grounds sufficiently plausible, at the commencement of the dispute, to justify their proceedings. The king had to plead, the arbitrary system of government practised by his immediate

equally to blame. The commons cannot well be defended, for not endeavouring, in the first place, to gain the king, by soothing arts, rather than having recourse to violence; and the proposals which they made in the earlier part of the war, were too harsh and rigorous. But it can hardly be denied, that the illegal means which the king adopted for raising money; the dangerous and exorbitant prerogatives which he claimed; and the tyrannical manner in which both he and his ministers acted, "rendered an opposition to the measures of the crown not only excusable, but laudable in the people<sup>d</sup>."

*Revenue of  
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from the  
Accession of  
the House of  
Stuart to the  
Revolution  
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Let us next consider from what sources his income was derived.

## 2. Income.

It is probable that the crown lands yielded a greater revenue in the reign of Charles I. than under the government of his father. It is certain, that a strict enquiry was made into the rights by which individuals held such lands as originally composed a part of the royal domain; and, after the example of Elizabeth, some money was raised, by compounding with those whose titles were defective. One of the means also, by which the king was enabled to raise an army for the reduction of Scotland,

<sup>d</sup> Hume, vol. vi. p. 304.

# HISTORY OF THE PUBLIC REVENUE Part I.

was borrowing £.300,000 on the security of his demefnes.

The jealousy which parliament entertained of the house of Stuart, rendered the commons very sparing of their grants to the monarchs of that race. Nor were they so valuable as formerly. In the eighth year of Elizabeth, a subsidy amounted to £.120,000; in the fortieth, it fell to £.78,000, and its produce *anno* 1640, had fallen to £.50,000<sup>s</sup>. Subsidies were a tax upon income; and as the wealth of the country was rapidly increasing, no reason can be assigned for the decrease of the produce of this tax, but the fraudulent practices of the assessors, who wished to cultivate the favour of the people by moderate assessments, or who countenanced every means of evasion, to diminish the value of the grant, when the government happened to be unpopular<sup>f</sup>.

two fifteenths to their former inconsiderable donation<sup>a</sup>. The next parliament that was assembled, voted four subsidies, and three-fifteenths; but it was hastily dissolved before the vote passed into a law. His third parliament granted five subsidies, in consideration of which, the famous petition of right received the royal assent. This grant did not exceed £.250,000. But the manner in which this mark of the liberality of parliament was received, deserves to be commemorated. When secretary Cook informed the king of the sum that was voted, his majesty was anxious to know by what majority it had been carried. "By One," the secretary replied; and when the king seemed to be disturbed with the information, he added, "Your majesty has no cause to be alarmed, for the House was so unanimous in making the grant, that it seemed to have but One voice." It is said, that tears of affection started in his eyes, when he was told of this concession<sup>b</sup>.

These, amounting to seven subsidies, and producing about £.372,000, were the only grants which Charles received from his Commons, prior to the meeting of the long parliament, by whom six subsidies, and a poll-tax were voted before the commencement of the civil war. But the produce was appropriated to pay the English and Scotch armies, and the money was given to commissioners, appointed by parliament; and not to the treasury. It

*Revenues of  
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<sup>a</sup> Rash. vol. i. p. 190.

<sup>b</sup> Hume, vol. vi. p. 245.

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is worthy of observation, that the king demanded twelve subsidies, about £.600,000 in lieu of his claim to ship-money; and he offered, in consideration of that sum, to consent to its being abolished, in any manner that was thought most effectual.

This proposal was, with the greatest propriety, rejected; as any bargain to procure the remission of that odious duty, would have been a kind of acknowledgment that it had been legally levied. It was proposed to raise the sum in the space of three years, and consequently at the rate of only £. 200,000 a year. It will appear, in the course of this chapter, what considerable sums were soon afterwards collected in England; and yet to prove how ignorant men generally are to what extent taxes may be carried, it was asserted in parliament, by persons who were supposed to understand well the state of the nation, that twelve subsidies in three

Notwithstanding the great diminution of the property of the church, the assistance which Charles drew from the clergy was considerable. Besides voluntary contributions, he received, in the earlier part of his reign, eight subsidies, which at £.20,000 each, amounted to £.160,000; and it should seem, that another subsidy was granted, *anno* 1640; for the long parliament loudly complain of a tax having been imposed by the Convocation, after the former parliament had been dissolved <sup>k</sup>.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

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It has already been stated, that Elizabeth had reaped some pecuniary benefit, by dispensing with the penal laws, enacted against those who adhered to the Roman Catholic religion. This expedient Charles had recourse to; but instead of secret compositions, a commission was openly granted, and the popish religion became an avowed and regular source of revenue <sup>l</sup>: A step highly impolitic, at a time when his subjects in general, were so strongly impressed, with the most inveterate prejudices against the professors of that religion.

4. Composition with Roman Catholics.

James I. had conceived a ridiculous idea, that a king of England would be degraded, if he should espouse any princess not of royal extraction, and indeed that the daughters of France or Spain, were the only females to whom his son ought to be married. In consequence of this notion, he had entered into a tedious negotiation with the court of Spain, which was broke off through Buckingham's

5. Queen's Portion.

<sup>k</sup> Mort. vol. ii. p. 544.

<sup>l</sup> Rush. vol. i. p. 413.

only 400,000 crowns ; and  
some years after the marriage  
it came at last very opportu-  
nely in the midst of his greatest pecuni-

The question how far the  
property of any particular  
was controverted ; and two learned  
(Grotius) were employed by  
the government under which they lived  
and second to oppose, this first  
Charles knew that superiority  
the only argument by which  
he supported ; and having,  
by imposition of ship-money,  
increased his fleet, he ordered the admiral,  
Robert Dudley, to sail to the  
Spanish dominions, and to drive away  
the pirates from their neighbourhood without  
opposing whom this equipment  
ed, were glad to pay £.30,  
600,000 crowns, and that

them to fish on the British coast, had not his attention been taken up by more important objects:

*Revenue of  
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the House of  
Stuart to the  
Revolution  
1688.*

One would imagine, it was impossible for the warmest friend of the unfortunate house of Stuart, to justify the steps which Charles pursued, in respect to exacting the revenue of the Customs for so many years without legal authority, and in a manner so harsh and oppressive. He himself declared to parliament, that he did not mean to levy the duties of tunnage and poundage as belonging to him by hereditary right, but out of the full persuasion that the House of Commons would grant them by bill<sup>a</sup>. And it appears from the history of these taxes, the origin and progress of which have been traced in the preceding part of this work, that the Customs, instead of having originally been a permanent branch of the royal income, arose from a voluntary consent of the people by their representatives in parliament.

7. Customs.

Anno 1629.

Though the law was clear, the practice was very irregular. Ever since the accession of the House of Tudor, the duties of tunnage and poundage had been levied without intermission; and though granted only for the life of the reigning sovereign, yet his successor continued to exact them, trusting to the future sanction of parliament. Charles, at his accession, had continued a practice, on which so considerable a branch of his revenue depended; and he would probably have received a grant for life, as had been given to his predecessors, had not

<sup>a</sup> Parl. Hist. vol. viii. p. 256.



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the Commons required it as a preliminary, that he should, for once, entirely desist from levying these duties. He hastily dissolved the parliament rather than agree to their proposal. This important controversy was at last determined in a manner unfavourable to the crown. The exaction of the duties was not totally abstained from, but they were granted only for two months; and the grant was renewed from time to time, for very short periods. Care also was taken, to assert, in the strongest terms that could be conceived, the exclusive right of parliament to bestow the grant; and in the preamble to the bills that were passed, all pretensions that the crown could make, to levy the duties by its own authority, were for ever annulled<sup>o</sup>.

It is said, that the customs, previously to the civil wars, had been raised to £. 500,000 a year in consequence of the increase of commerce, and the

reign, is not a sufficient justification; it is farther to be remarked, that Elizabeth exacted ships, and not money; that every exertion was necessary to oppose so destructive an invasion as that of the Spaniards; and that, notwithstanding the danger and urgency of the case, so moderate were her demands, that many of the ports, London in particular, of their own accord, sent double the number of ships that were required.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

This monarch's first attempt to levy ship-money, was *anno* 1626; and the precedent afforded in the reign of Elizabeth, was pretty strictly adhered to; for the maritime towns only were required to furnish ships, and the adjacent towns were ordered to assist in the equipment. Twenty ships were the proportion of London, and the other towns were rated accordingly<sup>1</sup>.

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on of ship-  
money.*

But this claim was afterwards carried to a much greater extent. It is asserted, that the situation of Europe in general, and the rapid increase of the Dutch republic, in commerce, and in maritime strength, and the successful piracies of the Barbary corsairs, who infested the very coasts of the kingdom, had rendered it necessary for Charles to equip a fleet, sufficient to support the naval dignity of his crown, and the commercial interests of his kingdom. The only obstacle was the low state of his exchequer.

*Second ex-  
action.  
Anno 1635.*

In this emergency, he applied to Noy, then his

<sup>1</sup> Hume, vol. vi. p. 224.

anxious to prevent, if possible, a  
favourite measure, required th

twelve judges on the case, who  
clared, " That when the good  
" whole kingdom is concerned,  
" command all his subjects, at  
" to provide and furnish such  
" with men, victual, and munitio  
" as he thought fit, for the defe  
" dom; and that he was the sole  
" danger, and how the same is to  
It is to be observed, that this opi  
nerally accounted decisive in favo  
yet is very cautiously worded.  
that the king could legally levy n  
authority: nothing could be raise  
victuals, and ammunition in kind,  
of conversion insinuated.

... to be examined at this

In opposition to this public declaration, of the very judges before whom his cause must be tried, and undismayed by the power of the crown, which was then supposed to be uncontrollable, and which, he knew, would be stretched to the utmost, to wreak its vengeance on any one who first ventured to resist its authority, John Hambden, an Englishman, equal in zeal, courage, and integrity, to the most renowned patriots of antiquity, refused to pay the inconsiderable sum of twenty shillings at which he was assessed, and resolutely determined to hazard any consequences, rather than submit to the imposition. A suit was instituted by the crown to compel the payment, and the cause was solemnly argued for twelve days before all the judges of England. Notwithstanding the convincing arguments urged in his defence<sup>†</sup>, only four of the judges gave an opinion in his favour, whilst eight supported the legality of the tax. This victory, however, was so generally odious and unpopular, that it was equivalent to a defeat. It roused the indignation of the people at large, and occasioned that firm and steady opposition to the measures of the court, which it afterwards encountered.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

Hambden's trial. Anno 1637.

Charles had proposed to the fourth parliament he had assembled, in consideration of twelve subsidies, to agree to the abolition of ship-money, in

*Abolition of ship-money.*

<sup>†</sup> Nothing can be drawn up with more ability, than the general view which Hume has given of the arguments against ship-money, vol. vi. p. 314. See also Macaulay, Appendix to vol. ii.

any manner it should think proper. But the Commons wisely refused to give the slightest countenance to so illegal an imposition; and one of the first steps which the Long Parliament took, was, to vote that ship-money was arbitrary and illegal. The sentence against Hambden, also, was declared contrary to law. The judges who had given their opinion in favour of ship-money were impeached, the officers employed in collecting the duty were declared highly culpable, and a law was passed, by which this obnoxious impost was forever abolished.

Ship-money was raised, during the space of four years. It was computed to yield about £.200,000 a year: consequently, it must have produced, all together, the sum of £.800,000.

An attempt was made, during this monarch's

the medium of the lords lieutenants, in the different counties, and their conduct was justified by some ancient precedents, in times of danger and invasion; but no express statute could be produced in support of the measure. It was, therefore, voted illegal by the Long Parliament; and such as had exercised any powers of that nature, were declared guilty of delinquency.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

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Charles, not contented with the exercise of lucrative prerogatives, on very slender legal pretences, had also, rashly, endeavoured to raise money, in opposition to the express words, or at least, in evident contrariety to the spirit of a recent statute. It has already been observed, that a law was passed *anno* 1624, by which all monopolies were prohibited: but an exception had been admitted in favour of new inventions; under which slight pretence, the former grievance was renewed, and the kingdom again filled with exclusive patents, to the ruin of industry and commerce. Not only salt, soap, leather, and other useful articles were put under harsh restrictions; but grants were made out for gauging red-herrings, for marking butter casks, and for gathering rags<sup>†</sup>. The king, afraid of the consequences, or ashamed of having adopted such ridiculous expedients for raising money, abolished about thirty of these destructive patents, when he undertook the first expedition against Scotland. But the people were not satisfied with a par-

10. Monopolies.

<sup>†</sup> Stevens, p. 283, 284.

It is natural to conjecture, ed to such necessities as Charles pursue the ancient practice of loans from his subjects; and the second year of his reign privy seal, were sent to the the kingdom, demanding the in proportion to their supposed ing to repay the money that w space of eighteen months\*. was raised by this unpopular 1626, the loan of £.100,000 the city of London, which it fuse. Nor did the old plan of tempted at the same time, pr But the boldest measure of that acting of a general loan. Four fifteenths, had been voted by C liament. A sudden dissolution, ed the grant from passing into a instead of calling a new parliament.

demand those very subsidies from the people under the name of a loan. The most violent and arbitrary measures were made use of to compel the payment. Such as refused were imprisoned; were loaded with a number of soldiers illegally quartered upon them; and by various other oppressions, were made sensible of the king's anger and resentment<sup>b</sup>.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

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The partiality of that able historian Hume, in favour of the house of Stuart, is not a little conspicuous, in his calling the most illegal extortions, by the softer name of *irregular levies of money*<sup>c</sup>. But however acts of tyranny may be palliated by ingenious men, yet they will still appear to the impartial and the unprejudiced, in their real colours. Charles had ventured to threaten the Commons, if he was not furnished with supplies in a legal manner, that he should be obliged to try *new councils*<sup>d</sup>; or, in other words, would raise money without their authority; and a commission was issued accordingly, appointing thirty-three commissioners to meet, and concert among themselves, the methods of levying money by taxes, or by other means, "where" (in the words of the commission) "form must be dispensed with, rather than the substance lost." The intention evidently was, to contrive the means of raising money by prero-

12. Extortions.

<sup>b</sup> Many of the lower people were compelled to enlist as soldiers, or seamen; and Glanville, an eminent lawyer, was forced to accept of an office in the navy, for having refused to contribute. Hume, vol. vi. p. 230.

<sup>c</sup> Hume, vol. vi. p. 295.

<sup>d</sup> Ibid. p. 241. 248.

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HISTORY OF THE PUBLIC REVENUE Part I.

gative alone\*. In consequence of a spirited application from the House of Commons, this commission was annulled: but it clearly proves in what manner the king would have reigned, had his power been equal to his inclination.

Though this commission was cancelled, yet it did not prevent Charles from pursuing many arbitrary measures, in order to extort money from his subjects. Large fees were annexed to new invented offices. Every county was obliged to maintain a muster-master, appointed by the crown, for exercising the militia. The vintners were driven, by the terrors of fines and prosecutions, to submit to an illegal imposition upon all the wine they retailed. An ancient duty for furnishing the soldiery with coat and conduct-money, which had long been abolished, was revived. It was intended to coin

don : if convicted of transgressing this arbitrary regulation, they were severely mulcted by the star-chamber. It was contended, that proclamations had equal authority with laws ; and such as ventured to disobey them, were heavily fined, and, in some instances, condemned to the pillory<sup>f</sup>. In short, more tyrannical steps could hardly be taken by the greatest despot on earth.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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Of all the unpopular expedients adopted by Charles, to raise money without the consent of parliament, the only one that had any pretensions to legality, was that by which, in imitation of precedents, taken notice of in the former part of this work, persons possessed of a certain income, in land, were obliged to receive the order of knight-hood. By a law, passed in the reign of Edward II., a knight's fee was fixed at twenty pounds a year. In the reign of Henry VI. it was raised to forty pounds. The law, though not repealed, had not been enforced for many years, and was almost forgotten<sup>g</sup>. But Charles was resolved to revive any act from which profit might be derived ; and it is said, that by compounding with some, and fining others who refused to appear in obedience to the king's mandate, about £. 100,000 was exacted<sup>h</sup>. It was thought, however, not a little oppressive, that the great decrease in the value of money should

<sup>f</sup> Hume, vol. vi. p. 296. Macaulay, vol. ii. p. 218.

<sup>g</sup> Naunton's *Fragmenta Regalia*, p. 4.

<sup>h</sup> Stevens, p. 275.

not be considered, and that those possessed of so small an income as forty pounds a year, should be obliged to accept of an honour they were unable to support. The letter of the law might be against them, but its spirit was evidently in their favour.

There is also the strongest reason to believe, that Charles was determined to take any step, that ambition or tyranny could dictate, rather than submit to the legal trammels of a limited government. It is known, that a commission was granted, and even money remitted to Germany, for the purpose of raising a thousand horse, to be transported into England. It is urged, in extenuation, that the number was too small for establishing a despotic government in this country. But though the force was apparently trifling, yet the king might easily have added a formidable body of foot to these foreign mercenaries; and thus have been enabled to levy the excise, and other taxes, which it is said

for the war he rashly entered into with his subjects in Scotland. It appears, that his revenue, from 1637, to 1641 inclusive, amounted, *communibus annis*, to £.895,819 : 5, of which, however, £.210,493 : 17 : 4, arose from ship-money, and other illegal exactions<sup>1</sup>. But, on the whole, it was fully adequate to the ordinary expences of the crown, though it could not defray the charges of war, and other burthensome contingencies.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

When the fatal contest, between the king and his parliament, was at last brought to the decision of the sword, he found the utmost difficulty in providing resources for the maintenance of his forces. The capital, and the wealthiest part of the kingdom, supported the parliament; and the only money that he could raise, was by pawning the jewels of the crown; by melting down the plate of the two universities, which they generously sent him; and afterwards by imitating the example of his opponents in levying assessments, and even excises, in those districts where his authority was acknowledged. But the voluntary contributions of those who adhered to the crown were his principal resource. It is said, that the marquis of Worcester alone, supplied the king with £.100,000; and the exertions of the marquis of Newcastle, who devoted his whole fortune to the support of the royal cause, were no less remarkable<sup>m</sup>.

*Supplies  
against par-  
liament.*

Among the other taxes enforced by this mo- *Tax on  
cards.*

<sup>1</sup> Comm. Journ. vol. viii. p. 150.      <sup>m</sup> Stevens, p. 288.

the reign of Charles, when (his immediate predecessors, is a rapid increase in the wealth and commerce of the country. It is computed that during his reign £. 12,096,220 sterling was coined in gold and silver; a greater sum than was coined during the reigns of James and Elizabeth in general, omitted to recoin the old money, and to send considerable quantities of bullion to the mint, which was afterwards melted down; and the property of which was given to the natives of this country. The profit of the coinage, and the duty of exportation.

Petition of right.

This reign is distinguished by the Petition of right having passed in the first year of which was to procure a full and complete redress of the most important privileges of the subject, and the other articles which it contained are of such moment as to have produced a total revolution in the nature

there is one clause by which it is particularly declared, "that no gift, loan, benevolence, tax, " or such like charge, shall be exacted without " common consent, by act of parliament." Since this valuable statute was enacted, these ancient modes of extortion have never been revived.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The fatal catastrophe of this monarch's reign, *Reflection.* is too well known to require being mentioned. In justice, however, to Charles, it may be remarked, that it was natural for a prince, like him, educated with high notions of the inherent prerogatives of the crown, supported by the example of his predecessors, and ignorant that a monarchy could exist under such limitations as parliament wished to establish, gradually to fall into that train of conduct which he unfortunately pursued. Indeed, when once suspicions and jealousies arise, it is impossible to say, to what lengths the most respectable characters may be hurried, amidst the heat of party, and the ardour of intestine violence. On the other hand, it is equally necessary to observe, in behalf of those illustrious patriots who first resisted the exorbitant claims of the crown, that whilst a Pym, a Hambden, and an Essex, conducted the opposition in parliament, though they demanded rather harsh concessions, yet that they still had the establishment of a limited monarchy in view. The side to which they leaned, that of liberty, was founded on the

¶ 17 Car. I. cap. 41. An attempt was made at a forced loan by Mr. Pitt, see his letter to the Bank, 30th November 1796, (Parl. Debates, *anno* 1796-7. vol. i. p. 276) but it proved abortive.

entertainment or military de  
well, they took place when  
more ; when civil governme  
when England lay at the mer  
natical, and desperate soldier  
artful, and profligate usurper

## The Common

Under this general name,  
prehend, the various republica  
of government, which took  
mencement of the civil war t  
æra, during which the public  
great, and indisputably supe  
former period in our history.  
broke out, parliament found i  
a considerable supply, for c  
which the king had raised :  
Scotland ; and to vote £.850

for their brotherly assistance<sup>1</sup>. But these were inconsiderable sums, when compared to the heavy charges which were afterwards incurred.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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### Expences.

It is a saying attributed to Milton, that, as a republic was the least expensive, it was consequently the best of governments; nay, that the trappings of monarchy, would defray all the charges of an ordinary commonwealth. The history of the republic of England, does by no means justify this observation.

It is not proposed, however, minutely to investigate the expences incurred during the time of the commonwealth: for, it is impossible now to make up an accurate statement of them, in consequence of the great fluctuation and instability of government, and of the frauds practised by those to whom the custody of the public money was committed. It will be sufficient in general, to remark that the tedious and bloody contest which parliament carried on against the crown, was attended with charges, perpetually increasing, in proportion as the armies became more numerous, and hostilities were more extended: That considerable expences were incurred by the republic, before the reduction of Ireland was accomplished, and before Scotland

<sup>1</sup> Macaulay, vol. iii. p. 22.



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(where, after the death of his father, Charles II. was proclaimed king,) could be finally subdued: That successful wars were carried on against the Dutch, who were obliged to crouch under the superior strength and vigour of the new republic; and against the enfeebled monarchy of Spain, from whom two important possessions, Jamaica and Dunkirk, were conquered during the administration of Cromwell: And that, even in time of peace, a formidable fleet, and a numerous army, were maintained, to support the authority of the new government at home, and to render it more respectable abroad. But all these services, however extensive and important, could not have exhausted the immense treasures, which, from various sources, flowed into the coffers of the republic.

was not confided to the treasury, but was ordered to be paid, to parliamentary commissioners appointed for that special purpose.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

It was soon discovered, that the disputes between the crown and parliament, had been carried to such a height, that they must unavoidably proceed to some fatal extremities; and at the commencement of the civil war, the conduct of the parliament was so popular, and it was held in such high estimation by the public, that incredible sums of money were raised by voluntary contribution. The plate of almost every inhabitant in London was brought in, to be coined for its support: no article, however mean, no ornament, however valuable, was spared. The very thimbles and bodkins of the women were not withheld: every one was anxious to maintain, the cause of the godly, against the king and the malignants<sup>r</sup>.

*Voluntary contributions.*

But it was impossible, that an expensive war could be long supported, upon so slender a foundation, as the temporary fervour of the people. The parliament therefore resolved, in order to provide for the better subsistence of their forces, to levy assessments on the personal and landed property of the people. These assessments varied, according to the exigencies of the times, from £.35,000 to £.120,000 a month. They were found so productive, and in every respect so much superior to the ancient mode of subsidies, that under the de-

*Land-tax.*

<sup>r</sup> Hume, vol. vi. p. 539, 540.

into the public treasury.  
duced £.608,400, in the  
was imposed '.

**Excise.**

To the long parliament  
ment of excises in this c  
that the famous Pym was t  
plan was originally propos  
upon liquors only ; and it  
that, at the end of the wa  
abolished. But the contest  
was expected, this obnoxio  
ney, was extended to bread  
other necessary articles. T  
meat was afterwards repeale

**Customs.**

In the time of the Comm  
additions were made to the  
by duties upon coals and cu  
a chaldron upon coals, levied  
in about £.50,000". The

notwithstanding the destruction with which civil wars are necessarily accompanied, had become so productive, that Cromwell, *anno* 1657, was offered £.1,100,000 a year for a lease of both the branches.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The establishment of a post-office, upon a productive and permanent footing, was principally owing to the long parliament. By their attention, and the wisdom of their regulations, it not only yielded £. 10,000 *per annum*, but also saved an annual expence of £.7000, which the public was obliged to pay for the maintenance of postmasters. It is singular, that the success with which this mercantile project has been attended, should not have encouraged the public to engage in other plans of a similar nature.

*Post-office.*

When the parliament took the entire government of the country into their own hands, care was taken to sequester the public revenue, and to appropriate it to their own purposes: nay, the profits of wardship, fines of alienation, and other feudal prerogatives, though supposed to be inseparably annexed to the crown, were rigorously exacted. Purveyance alone was given up, a useless privilege for a republic, and so generally obnoxious, that Charles II. was obliged to abandon it, after the restoration.

*Feudal pre-  
rogatives.*

In the reign of James I. a patent had been granted by the crown, for the sole licensing of inns and alehouses. But in consequence of the spirited interposition of parliament, this monopoly had been annulled.

*Wine  
licences.*

keeping houses open for the  
lic.

Public of-  
fices.

The most popular of all  
liament pursued for raising  
questrating the income of ce  
and applying the produce for  
lic. It is not known what  
thus appropriated; but it app  
of fifteen years, they yielded  
quently, their value must ha  
*£. 56,666 per annum.*

Crown  
lands.

The value of the royal do  
the estates of individuals, wa  
ed by so long and destru  
parliament, either driven to i  
desirous of abolishing every  
and in hopes that it would ne  
disposed of all the crown-land  
ing to the principality of Wal  
years purchase. Nay, the h  
other personal effects belongin

The active part which the bishops, and the clergy in general had taken in support of the royal cause, naturally drew upon them the indignation of the opposite party, and rendered their property not a little insecure when the parliament became successful<sup>2</sup>. But the system of diminishing the opulence of the church, was carried to much greater lengths than had ever been apprehended. Not only the lands of the bishops, and of the deans and chapters, but even the rectory and glebe lands, were sold, some at ten, and others at twelve years purchase. The tythes also were sequestrated for the use of the state<sup>3</sup>; and, instead of settled ministers, some wild enthusiasts proposed, to have lecturers wandering about the country, in the primitive manner of the apostolic times, whose salaries would prove but little burthensome to the public exchequer.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1683.*

*Church lands.*

The victorious party, as is usual in civil wars, adopted every means in their power, to diminish the wealth, and to punish the supposed guilt and offences of their adversaries. The prisoners they took, if particularly obnoxious, were put to death; if otherwise, were obliged to pay heavy ransoms for ob-

*Plunder of the royalists.*

<sup>2</sup> On the 3d of April 1650, a commission was issued, to enquire upon oath, into the number and yearly value of all rectories, vicarages, &c. pursuant to an act made June 8, 1649. The originals are said to have been burned; but there is one copy in the Rolls chapel, and another at the archbishop's library at Lambeth, in eighteen thick folio volumes. Hutchins's Dorsetshire, Introd. p. 39.

<sup>3</sup> Walker's Hist. part ii. p. 198.

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taining their liberty. It is said, that under colour of malignancy, about one-half of the personal, as well as landed property of the kingdom was sequestrated, and either sold at low prices, to the friends of those who were in power, or heavy compositions were demanded, if restored to the original proprietors<sup>2</sup>. Compulsive loans were also exacted from *heart malignants*, or persons suspected of secretly favouring the royal cause. Indeed, the miserable individuals who were comprehended in that description, were compelled to furnish such sums of money, by way of loan, as were often attended with utter ruin to themselves and their families.

tion,

Under so military and tyrannical a government, a variety of oppressive exactions must necessarily have taken place. Among many others, that of free quarter was particularly complained of. The

The whole kingdom was divided into twelve districts, each of which was entrusted to the care of a major general, who was empowered to levy any tax the Protector thought proper to impose. An edict was issued, commanding the exaction of the tenth penny from all the royal party; and this oppressive tax, known by the name of *decimation*<sup>c</sup>, Cromwell's military substitutes very rigorously enforced. The whole country was exposed to their extortions; hardly any distinction was made; nor were the firmest friends to the existing government always exempted.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The regular and permanent income of England, during the administration of Cromwell, was about  $\text{£.1,517,274} : 17 : 1$ . Scotland, then subject to the same government, yielded  $\text{£.143,652} : 11 : 11$ ; and Ireland  $\text{£.207,790}$  making, in all, the sum of  $\text{£.1,868,719} : 9^d$ . But if all the exactions which were extorted from the people at that time were accumulated, they would amount to a sum almost incredible. It is asserted, in a treatise, printed *anno* 1647, that in four years,  $\text{£.17,512,400}$ , or about  $\text{£.4,378,100}$  *per annum* were raised\*. Walker asserts, that in five years, forty millions had been collected<sup>f</sup>; but

*Amount of  
the perma-  
nent income.*

<sup>c</sup> Walker's Hist. part iv. p. 27.

<sup>d</sup> Comm. Journ. vol. vii. p. 627, &c.

<sup>e</sup> London's account, or a calculation of the arbitrary taxations within the lines of communication, during four years of the war, printed *anno* 1647.

<sup>f</sup> Hist. p. 8.

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# HISTORY OF THE PUBLIC REVENUE Part I.

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this seems to be a considerable exaggeration<sup>r</sup>. The following account contains as full a statement of the money levied, during this whole period, as can now be procured.

## ABSTRACT of the Money raised in England from Nov. 3, 1640, to Nov. 5, 1659.

|  |       |            |
|--|-------|------------|
| Six subsidies, at £. 50,000 each   | - - - | £. 300,000 |
| Poll money and assessments, to disband the Scotch and English armies         | - - - | 800,000    |
| Voluntary contributions for the support of the good cause against malignants | - - - | 300,000    |
| Ditto, for the relief of the Irish protestants                               | - - - | 180,000    |
| Land-tax, or various assessments, for the maintenance of the army            | - - - | 32,172,321 |
| Excise for sixteen years, at £. 500,000 per annum                            | - - - | 8,000,000  |
| Tonnage and poundage for 19 years, at £. 400,000 a year                      | - - - | 7,600,000  |

|  |                            |  |
|--|----------------------------|--|
| Brought forward  | £. 53,728,921              | <i>Revenue of England</i>                      |
| Sequestrations of the lands of bishops, deans, and inferior clergy, for four years | 3,528,632                  | <i>from the</i>                                |
| Tenths of all the clergy, and other exactions from the church                      | 1,600,320                  | <i>Accession of the House of Stuart to the</i> |
| Sale of church lands   | 10 035,663                 | <i>Revolution</i>                              |
| Fee farm rents for twelve years  | 2,963,176                  | 1688.  |
| Other rents belonging to the crown, and the principality of Wales                  | 376,000                    |  |
| Sale of the crown lands and principality (£. 120,000 <i>per annum</i> )            | 1,200,000                  |  |
| Ditto of forest lands and houses, &c. belonging to the king                        | 656,000                    |  |
| Sequestrations of the estates and compositions with private individuals in England | 4,564,986                  |  |
| Compositions with delinquents in Ireland   | 1,000,000                  |  |
| Sale of the estates of delinquents in England                                      | 2,245,000                  |  |
| Ditto of Irish lands   | 1,322,500                  |  |
| Ransom of captives   | 102,000                    |  |
| New River water  | 8,000                      |  |
|  | £. 83,331,198 <sup>a</sup> |  |

<sup>a</sup> In the account which Stevens gives us of the money raised during this period, there seems to be a variety of mistakes. He states the six subsidies at £. 600,000, though they only produced £. 300,000. See Walker, p. 7. Tunnage and poundage he calculates only at the rate of £. 300,000 a year, though it often exceeded £. 500,000, and, at a medium, must have been £. 400,000; and in the whole account, there is a strange confusion between income and expences. Thus there is stated, in the account of the money raised, the charge of justice, and the sums voted to the members of the house, and given them by way of free gift. The first voluntary contribution (omitted by Stevens) is put down only at £. 300,000, though probably more productive.

See account at the end of the abstract from the Harleian miscellany.

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This is the best information which it is at present possible to obtain, with regard to the money levied in the time of the commonwealth: from which it appears, that during the short period of nineteen years, above eighty millions must have been raised, and consequently, one year with another, about £.4,385,850 *per annum*; but a considerable part of that immense treasure, was either lavished by parliament upon its own members, or was fraudulently embezzled.

tion.  
gifts.

By the old law of parliament, every member was entitled to receive wages from the place he represented, to defray the charges of his journey, and the expences incurred during his residence in the capital. But the members of the long parliament, when it assumed the government of the country, instead of applying to their respective constituents, voted to each member, for his own

and in free gifts to the saints, the sum of £.679,800 was publicly expended <sup>1</sup>.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The parliament is also accused, of suffering the most enormous frauds to be perpetrated with impunity. Instead of the public accounts being examined at the Exchequer, where peculation could with difficulty escape detection, every branch of the revenue, and every article of expence, was intrusted to committees of the house, who appropriated whatever sum they thought proper to their own private use <sup>2</sup>. By these frauds, the parliament was disabled from paying the army regularly. Its arrears amounted to £.331,000, and that mutiny, which proved the principal source of Cromwell's exaltation, was owing to the indignation with which the troops saw the members of the house of commons, rioting in wealth, procured by public plunder, whilst they, who had fought their battles, could hardly provide themselves with subsistence. They loudly complained, "that parliament bestowed  
" upon its own members £.1000 a week out of  
" the public treasury, whilst the soldiers wants  
" were great, and the people in the utmost necessity <sup>1</sup>."

*Public  
frauds.*

We are told that Cromwell expended £. 60,000 a year in procuring intelligence; a circumstance which has been greatly celebrated, and contributed

*Secret intelligence.*

<sup>1</sup> Walker's Hist. part ii. p. 151. 252. Part i. p. 143. 149. 166, 167, 168, 169, 170, &c. and part ii. p. 192. 206. 209. 248. Stevens, p. 294.

<sup>2</sup> Hume, vol. vii. p. 92. <sup>1</sup> Walker's Hist. part ii. 109. much

in the treasury, and stores to the  
when its authority was abolished  
yet such was the expence of his  
he died indebted to the amo  
It principally, however, consi  
army and navy, and therefore  
the restoration.

General sur-  
vey.

During Cromwell's admini  
posed to take a general survey  
dom, in imitation of that tak  
Henry VIII. It was begun  
neighbourhood, and certain co  
pointed, *to inquire upon oath, and*  
*value of every man's estate, both*  
But the attempt was, after all,  
when those who were in power e  
they thought proper, under any  
frivolous, as delinquency, malig  
hardly necessary to be at the trou  
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any regular system of taxation.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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## CHARLES II.

The restoration, however passionately desired by the people, and though, on the whole, attended with considerable advantages to the public, from the re-establishment of the ancient constitution, and the destruction of anarchy and military usurpation, was nevertheless far from being accompanied with all those beneficial consequences that might naturally have been expected. The dissolute character of Charles II., the bigotry of his brother James, by whose advice public affairs were principally conducted, and the jealousy of such as were still tinctured with republican principles, which led them to view every measure of the court with suspicion and disgust, rendered the greater part of his reign, neither happy at home, nor honourable abroad. But the conclusion of it, when he submitted to be the tool of Lewis XIV., when he determined to govern without assembling any parliament, and when it became the doctrine of the court, that it was better for a king of England, to be the pensioner of France, than controlled by five hundred of his own insolent subjects, bore but little resemblance indeed, to the legal administration, of the limited sovereign of a free people.

The materials with which we are furnished by historians, and by the public records, with respect to this monarch's income and expenditure, are so

or incidental.

2. Perma-  
nent ex-  
pences.

During the reign of Charles what may be called a legal and blishment, for ever since the been thought necessary to provide peace, for the national protection and hence have arisen, permanent and ordnance expences.

The navy.

The navy, at this period £. 300,000 a year, exclusively in time of war, and occasional ment. But this, though a considerable Charles's revenue, was hardly sufficient that superiority in maritime power ought ever to maintain. The fleet at sea, was nearly equal; and the monarch Lewis XIV. exerted all his statesmen, and all the wealth of the kingdom, tempting to raise a navy, adequate to his proud and lofty pretension of being the first monarchy of Europe.

his reign, the sovereigns of this country, confiding in the affections and native valour of their people, maintained no standing forces, and neither had guards to attend them in their progress, nor to stand as centinels at their gates. This alteration in our domestic œconomy, has often been condemned; and yet the conduct of other powers, in keeping up formidable bodies of experienced veterans, rendered it, to a certain degree, indispensably necessary. The annual expence of this monarch, for guards and garrisons, amounted to about £. 202,000, and the number of his troops varied from four to eight thousand men. Even that small body excited the suspicion and jealousy of the public; and, by a vote of the house of commons, *anno* 1679, was declared contrary to law<sup>a</sup>.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The ordnance, including ordinary and extraordinary expences, amounted only to about £. 40,000 a year: a very moderate charge, when compared to modern estimates: but it was then imagined, that fortifications were unnecessary in England; nor had the artillery become so important a branch of the military department.

*Ordnance*

The nature and amount of the civil list, and of the other expences of the crown, during this reign, are so clearly illustrated by the following state of its proposed expenditure for the year 1676, that any farther explanation seems to be unnecessary.

*Civil List*

<sup>a</sup> Hume, vol. viii. p. 106.



|                                    |   |   |   |
|------------------------------------|---|---|---|
| Band of pensioners                 | - | - | . |
| Robes                              | - | - | . |
| Jewel office                       | - | - | . |
| Pensions, including the queen's mo |   |   |   |
| York, &c.                          | - | - | . |
| Ambassadors                        | - | - | . |
| Judges, masters in Chancery, &c.   |   |   |   |
| Master of the horse                | - | - | . |
| Casual disbursements               | - | - | . |
| Hawks, harriers, tents, &c.        |   |   |   |
| Secret service money               | - | - | . |
| New years gifts                    | - | - | . |
| Tower expences for prisoners       |   |   | . |
| Management of excise and customs   |   |   |   |
| Angel gold for healing medals      |   |   | . |
| Liberates out of the Exchequer     |   |   |   |

#### Peace Establishm

|          |   |   |   |
|----------|---|---|---|
| Navy     | - | - | - |
| Army     | - | - | - |
| Ordnance | - | - | - |

#### Miscellaneous Exp

It is probable, however, that the permanent expences of government, were in general more considerable; for previous allotments, strict computations, and plausible estimates, can hardly ever be rigidly adhered to.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

The parliament, soon after the restoration, had voted the king a revenue of £. 1,200,000 a year<sup>o</sup>. But that sum, which would have defrayed the ordinary expences of the crown, was never fully made up: nor were its deficiencies compensated by new and additional supplies. The king, at the same time, incurred many temporary and incidental expences, of so heavy a nature, that he was kept in perpetual distress.

*2. Incidental expences.*

At the conclusion of the civil war, every vestige of royalty had been annihilated. The king's palaces and furniture had been sold; the jewels of the crown had been disposed of; and every measure had been taken, as if monarchy were never again to be the established government of England. Parliament, therefore, was obliged to grant considerable sums, to defray the expences of the coronation, and to make up for those heavy losses which the crown had sustained. By two different acts, £. 140,000 were raised and appropriated to these purposes<sup>p</sup>: and afterwards, a free and voluntary present was given to his majesty, the produce of which is unknown<sup>q</sup>.

*Expences on the restoration.*

<sup>p</sup> Comm. Journ. vol. viii. p. 150.

<sup>q</sup> 12 Car. II. c. 21. 29.

<sup>r</sup> 13 Car. II. c. 13.

small revenue, fully to discharge  
surely to have subjected himself  
difficulties, rather than to have  
zealous friends to continue in  
liament voted £.60,000 to be  
that unfortunate description of men  
the principal recompence they  
loyalty and services. Some attention  
to those, who had materially contri-  
preservation, after the battle of  
Charles sometimes could not resist  
received of their calamitous situa-  
onally supplied them, with what  
possibly spare, from the rapacity of

Disbanding  
the army.

One of the first and most necessary  
the restoration, was the disbanding  
lican army, which had occasioned  
tions, and had been so much in-  
slaughter. The expence of this was  
siderable; for it was requisite to

dismissal. It is said that the king, when he reviewed this formidable body, before it was disbanded, could not avoid expressing his wishes to retain them in his pay; and nothing but Clarendon's weight and influence could have prevented his attempting, by some evasion or other, to have continued them in his service.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The fortress of Tangiers in Africa, was included in the dowry which Charles received with Catherine of Portugal: and the possession of it was supposed to be of considerable use in protecting our trade to the Mediterranean. Great sums of money, therefore, had been expended in the improvement of the harbour, and in adding to the fortifications; and the garrison maintained there cost from £. 50,000 to £. 60,000 *per annum*. But this expence did not continue throughout the whole of Charles's reign; for when he found that it was impossible for him to depend upon regular supplies from parliament, he ordered the town to be abandoned, the mole to be entirely destroyed, and the garrison to be brought over to England.

Tangiers.

The war which Charles entered into with the Dutch, was unjust in its commencement, and impolitic in its continuance. They were willing to have given him every satisfaction he could reasonably desire; and in consequence of the injustice of his conduct, he had not only to contend with the republic of Holland, then in the zenith of its power, but also with France and Denmark, by whom that state was at last supported: and however keenly his

*First Dutch  
war.*

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subjects might at first engage in so unjustifiable a quarrel, from commercial jealousy of their neighbours, yet he had every reason to expect, that they would soon grow weary of furnishing him with supplies, unless encouraged by the most signal successes. Parliament voted the sum of £.5,483,845 for carrying on the war. But the funds appropriated to the purpose were not sufficiently productive. The war cost the Dutch forty millions of livres a year, above three millions sterling<sup>s</sup>. The only advantage which England received from it, was the acquisition of New York : a poor recompence for the disgrace at Chatham, and the blood and treasure wasted in so iniquitous a contest !

war.

Of all the combinations which modern Europe can produce, for the destruction of any particular state, perhaps that between France and England, for the annihilation of the Dutch republic, is the

His people, ashamed of the attempt, and dreading the consequences of its success, refused to give him any considerable assistance; and by this negative succour to the Dutch, greatly contributed to their safety. During the war, the sum of £.1,238,750 was voted by parliament; but the object of it was to procure the recall of the declaration of indulgence; and it was finally granted to recompense the king for agreeing to its being annulled.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The only other material warlike expence, during this reign<sup>†</sup>, was the making preparations for a rupture with France, to which the king was strongly urged by his parliament. Some supplies were granted for that purpose, which were faithfully applied: and it is also supposed that Charles added considerable sums out of his own personal revenue. But the king and his parliament had become so jealous of each other, that the affair ended in nothing; and in consequence of these unfortunate differences, the allies of England were left at the mercy of France, and obliged, at the congress of Nimequen, to accept of any terms that Louis thought proper to prescribe.

*Preparations  
against  
France.*

The disgraces of this monarch's reign were greatly owing to his prodigality. In one of his speeches to parliament, he confessed that he had not been altogether so frugal as he might have been, and re-

*Profuseness.  
Anno 1675.*

<sup>†</sup> Some assistance was given to Portugal; an expedition sent against Algiers; and some disturbances quelled in Virginia. But the expence could not be very great.

Fortunately the event has gloomy predictions.

Origin of  
the heredi-  
tary excise.

Though the propriety of :  
ous a branch of the revenue,  
tives was pretty generally ack  
a matter of considerable di  
how to make up the defici  
these ought to have been loa  
of the commutation, who we  
burden ; and in the reign of  
plan was in agitation, it was  
change, an annual fee farm r  
and inseparably annexed to t  
cises having been introduced b  
and paid without much oppo  
instead of a land-tax, an exci  
pence *per* barrel upon all beer  
portionable sum upon other liq  
dom, was established ; which

\* The antiquity. legality. reason.

profits of wine licences, it was calculated would produce from £.200,000 to £.300,000 a year, and was considered to be an ample compensation.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

But the income which parliament had voted as necessary for the public service, could not be raised, without the aid of some new additional imposition; and the duty of hearthmoney was at last granted to the king and his successors<sup>b</sup>. This was a tax of two shillings for every hearth, in all houses paying to church and poor; and notwithstanding the popular objections which have been urged against it, there is no well-founded reason to call it either burdensome or unequal, and it is still paid in Ireland without inconvenience or complaint.

*Hearth-  
money.*

The income which was in general collected, from the various branches of the crown revenue, during this reign, will appear sufficiently evident from the following statement:

Account of the permanent Income of the Crown,  
*anno 1663.*

|               |   |   |   |   |            |   |
|---------------|---|---|---|---|------------|---|
| Customs       | - | - | - | - | £. 400,000 | 0 |
| Royal domains | - | - | - | - | 100,000    | 0 |
| Dean Forest   | - | - | - | - | 5,000      | 0 |
| Carried over  |   |   |   |   | £. 505,000 | 0 |

<sup>b</sup> Hume (vol. vii. p. 377.) states, that it was only granted *during the king's life*. This, and some other trifling mistakes of that excellent historian, should be attended to in the future editions of his works. The first act by which hearthmoney was granted was 13 Car. II. c. 10.

Post



It appears, from this statement, that  
ment did not make up the full income w  
voted. When the first fervor of the  
was over, they probably repented of the  
they had hastily come to, and perceived  
fity of preserving the crown dependent  
people. They considered that they had  
a sceptre upon Charles, when his situatio  
counted to be the most desperate ; and the  
it unnecessary to accompany so splendid a  
advantages greatly superior to what his anc  
enjoyed.

Historians differ greatly, whether the p  
which Charles assembled were sufficiently  
that monarch. Those who compare th  
with the profuseness of their successors,  
them as too parsimonious, and attribute to  
cumstance a considerable share of the dis  
his

accuse them of prodigality ; and contend, that none but a pensionary house of commons could have been so lavish. The fact seems to have been, that when parliament discovered the king's tendency to profusion, and the instability of his natural character, they were afraid of trusting him with large supplies, and were determined, unless he pursued measures for the general good, totally to refuse their assistance.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

The modes adopted to raise the money, thus occasionally granted, were by poll-taxes ; by an addition to the excise and customs ; by subsidies ; by a land-tax ; by a tax on personal property ; and by a species of stamp duty on legal proceedings.

Three different poll-taxes were granted during Charles's reign ; one in particular *anno* 1660, for disbanding the army, which was intended to raise £. 400,000. But though every person in the kingdom, above sixteen years of age, not receiving alms, was charged sixpence, and heavy rates were imposed upon men of property and rank, yet it was so negligently collected that it produced, on the 24th of November 1660, only £. 252,167<sup>d</sup> : nor does it appear that there was afterwards any addition.

*Poll-taxes.*

By different acts, additional duties were laid upon the importation of wine, and on the sale of excisable liquors. The first, it was supposed, would bring in £. 57,000 a year, and was granted for the space of eight years\*. The additional excise con-

*Additional excise and customs.*

<sup>d</sup> Comm. Journ. vol. viii. p. 196.

• 20 Car. II. cap. 1.

tinued

temporality, and an act was passed for a similar grant from the clergy <sup>e</sup>.  
 £.282,000. It was full time for a change of taxation, which had become oppressive, that the king stated in a speech that estates from £.3000 to £.100,000 should not pay above £.16 for all the

Land-tax.

Various land-taxes, then known as assessments, were granted by the acts by which these taxes were added among the printed statutes, and the original record is attended with much trouble. It is hoped that the note subjoined, giving a count of the proportions of each tax, will be found unacceptable <sup>h</sup>.

<sup>e</sup> The additional excise was first granted by 22 Car. II. cap. 5., and afterwards continued by 29 Car. II. cap. 2.      <sup>f</sup> 15 Car. II.

<sup>h</sup> ASSESSMENT of £.70,000 a month, Bedfordshire.

There was a grant in 1670, amounting to *Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*  
 £.800,000; and the duties imposed upon the public

|                           | Brought forward | £. | 4,408  | 1  | 2  |           |
|---------------------------|-----------------|----|--------|----|----|-----------|
| Isle of Ely               | -               | -  | 367    | 10 | 0  | Taxes on  |
| County of Chester         | -               | -  | 770    | 0  | 0  | personal  |
| City of Chester           | -               | -  | 85     | 11 | 2  | property. |
| Cornwall                  | -               | -  | 1,633  | 6  | 8  |           |
| Cumberland                | -               | -  | 108    | 0  | 0  |           |
| Derby                     | -               | -  | 933    | 6  | 8  |           |
| Devon                     | -               | -  | 3,003  | 15 | 6  |           |
| Oxford                    | -               | -  | 107    | 6  | 8  |           |
| Dorset                    | -               | -  | 1,311  | 10 | 6  |           |
| Poole                     | -               | -  | 10     | 14 | 0  |           |
| Durham                    | -               | -  | 153    | 14 | 4  |           |
| Yorkshire and York        | -               | -  | 3,043  | 8  | 10 |           |
| Hull                      | -               | -  | 67     | 13 | 0  |           |
| Essex                     | -               | -  | 3,500  | 0  | 0  |           |
| Gloucestershire           | -               | -  | 1,626  | 6  | 8  |           |
| Gloucester                | -               | -  | 162    | 11 | 2  |           |
| Hereford                  | -               | -  | 1,166  | 13 | 4  |           |
| Hertford                  | -               | -  | 1,400  | 0  | 0  |           |
| Huntingdon                | -               | -  | 622    | 4  | 6  |           |
| Kent                      | -               | -  | 3,655  | 11 | 2  |           |
| Lancaster                 | -               | -  | 933    | 6  | 8  |           |
| Leicester                 | -               | -  | 1,088  | 17 | 8  |           |
| Lincoln                   | -               | -  | 2,722  | 4  | 10 |           |
| London                    | -               | -  | 4,666  | 13 | 4  |           |
| Middlesex and Westminster | -               | -  | 1,788  | 17 | 10 |           |
| Monmouth                  | -               | -  | 466    | 13 | 4  |           |
| Northampton               | -               | -  | 1,400  | 0  | 0  |           |
| Nottinghamshire           | -               | -  | 903    | 4  | 4  |           |
| Nottingham                | -               | -  | 30     | 2  | 4  |           |
| Norfolk                   | -               | -  | 3,624  | 8  | 10 |           |
| Norwich                   | -               | -  | 186    | 13 | 4  |           |
|                           | Carried over    | £. | 43,316 | 4  | 10 | Northam-  |
|                           | x               |    |        |    |    |           |

# HISTORY OF THE PUBLIC REVENUE Part I.

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lic to raise that sum, were a tax of fifteen shillings on every hundred pounds belonging to bankers; the

|                | Brought forward | £. | 43,316 | 4     | 10    |
|----------------|-----------------|----|--------|-------|-------|
| Northumberland | -               | -  | -      | 179   | 19 10 |
| Newcastle      | -               | -  | -      | 35    | 11 8  |
| County of Oxon | -               | -  | -      | 1,127 | 15 6  |
| Rutland        | -               | -  | -      | 272   | 4 6   |
| Salop          | -               | -  | -      | 1,322 | 4 4   |
| Stafford       | -               | -  | -      | 919   | 6 8   |
| Litchfield     | -               | -  | -      | 14    | 0 0   |
| Somerset       | -               | -  | -      | 2,722 | 4 6   |
| Bristol        | -               | -  | -      | 171   | 2 2   |
| Southampton    | -               | -  | -      | 2,022 | 4 4   |
| Suffolk        | -               | -  | -      | 3,655 | 11 2  |
| Surrey         | -               | -  | -      | 1,565 | 5 6   |
| Southwark      | -               | -  | -      | 184   | 14 6  |
| Suffex         | -               | -  | -      | 1,905 | 11 2  |
| Warwick        | -               | -  | -      | 1,244 | 8 10  |

the same sum on every hundred pounds lent to the king at above 6 *per cent.* interest; six shillings *per cent.* on all personal estates; two shillings in the pound on the salaries of all offices and places, to which was added a shilling in the pound on lands and mines<sup>1</sup>. This was principally aimed at personal property; and it is a singular example, in the history of our finance, of a tax on bankers, and on such of the creditors of the crown as received more than the legal interest, which at that time was 6 *per cent.*

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The revenue arising from stamps, was first introduced into England, *anno* 1671. It was imposed by a statute entitled, "An act for laying impositions on proceedings at law<sup>2</sup>." The rates are various, and the particulars so very numerous, that it would be improper to enter into the detail. The duty was at first granted for nine years from the first of May 1671. It was afterwards continued for three years longer, when, in consequence of the unfortunate jealousies between the crown and parliament, it was suffered to expire.

*Stamps:*

It will now be proper, to give as full an account, as it is possible to draw up at this time, of the money granted by parliament during Charles's reign, in addition to his permanent revenue.

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curious table of the taxes raised in England by various modes, and what proportion was assessed on each particular county; but the assessment of 1660 was omitted, which was an additional reason to insert it in this work.

<sup>1</sup> 22 Car. II. c. 3.

<sup>2</sup> 22 & 23 Car. II. cap. 9. (Stat. ii. cap. 5.)

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## Parliamentary Grants.

## 1. For the Debts of the Republic, and disbanding the Army.

|       |    |                                      |            |
|-------|----|--------------------------------------|------------|
| 1660. | 1. | Three months assessment, at £.70,000 |            |
|       |    | per month                            | £. 210,000 |
|       | 2. | The first poll-tax                   | 252,167    |
|       | 3. | Two months assessment, at £.70,000   |            |
|       |    | each                                 | 140,000    |
|       | 4. | Six months assessment, at £.70,000   |            |
|       |    | each                                 | 420,000    |
| Total |    |                                      | 1,022,167  |

## 2. Temporary Grants.

|       |    |   |           |
|-------|----|---|-----------|
| 1660. | 1. | For a speedy supply to his Majesty          | £. 70,000 |
|       | 2. | Ditto for the expences of the coronation    | 70,000    |
|       | 3. | Forfeited estates of traitors <sup>1</sup>  | 75,000    |
| 1662. | 4. | Grant for paying the king's debts           | 1,260,000 |
|       | 5. | To be distributed among the loyal cavaliers |           |

|       |   |    |           |   |
|-------|---|----|-----------|---|
|       | Brought forward   | £. | 9,433,014 | <i>Revenue of<br/>England<br/>from the<br/>Accession of<br/>the House of<br/>Stuart to the<br/>Revolution<br/>1688.</i> |
| 1673. | 13. Grant during the Dutch war, voted in order to procure the repeal of the declaration of indulgence | -  | 1,238,750 |   |
| 1677. | 14. Grant for building thirty ships of war  | -  | 584,978   |   |
|       | 15. Third poll-tax for preparations against France  | -  | 150,000   |   |
|       | 16. Grant for disbanding the army, &c   | -  | 414,000   |   |
|       | 17. Grant for ditto   | -  | 206,462   |   |

## 3. Permanent Grants.

|       |  |         |
|-------|--|---------|
| 1670. | 1. Additional tax on wine for eight years  | 456,000 |
|       | 2. Additional excise for nine years, about | 300,000 |
|       | 3. Stamp duty for twelve years             | 266,666 |

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£. 13,014,868

Arrears of excise, voluntary presents from parliament to the king, and the duke of York, and money in the hands of receivers at the restoration, supposed

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400,000

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£. 13,414,868

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Besides these grants, several others, to the amount of about a million more, were lost by the disputes which so frequently arose, during this reign, between the crown and parliament<sup>a</sup>.

But,

<sup>a</sup> The amount of Charles II.'s revenue has been a subject of great dispute between the Whigs and Tories. It originated from a well-known Whig tract, intitled, "A Letter from a By-stander to a Member of Parliament," in which the author dwelt much on the profusion of the Tory parliaments,



But, in addition to the king's permanent revenue, and the grants of parliament, his exchequer was enriched by other means, which it will be necessary briefly to explain.

The dowry which the king was to have received with Catherine of Portugal, besides Tangiers in Africa, and Bombay in the East-Indies, was £. 500,000. Such engagements, however, are not always fulfilled with honour and punctuality; and it is said, that only £. 250,000 was actually paid<sup>n</sup>. The expences which he incurred in defending Portugal from the Spaniards, soon exhausted this supply.

The frugality of parliament during this reign, of which so much has been said, was perhaps in a great measure owing, to the impatience with which the people paid even very moderate burdens.

1660, to raise the sum of £.420,000, it was thought necessary, by a clause in the act itself, to assure the public, that it was not intended to continue that mode of imposition, though it was the only productive one at the time. And the necessities of the crown, *anno* 1670, being much greater than the house was either willing, or perhaps could venture to supply, the king, with little difficulty, procured an act to dispose of the fee-farm rents, the principal part that still remained of the royal domains°. The produce of this sale is very uncertain; some authors calculating it at £.1,800,000, and others at only £.100,000. The exact sum it is impossible at present to ascertain; but it probably must have amounted to at least £.500,000.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The policy of acquiring a possession on the continent, like Dunkirk, has been much disputed. Many great and respectable characters have contended, that such possessions are expensive; occasion disgust and enmity in those to whom they naturally belong; and give rise to an interference in continental concerns, with which England has no immediate relation. These objections are weighty; but their force is considerably diminished by this important advantage. The keeping up of any considerable and collected body of forces, in time of peace, it is well known, is thought dangerous to the liberties of the people. If it were not, therefore, by means of remote foreign garrisons, it would be difficult for

*Sale of  
Dunkirk.*

# HISTORY OF THE PUBLIC REVENUE Part I.

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this country, either to attain, or to preserve, that full and complete experience and skill in arms, and that knowledge of discipline, and the arts of war, which every nation ought to possess; and of all the places on the Continent, Dunkirk, naturally strong, easily defended, lying between the French and Imperial territories, and consequently less obnoxious and offensive to either of those two powers, was decidedly the most eligible. It was therefore not a little unfortunate, that an acquisition which might have been so serviceable to this country, should have been disposed of, merely in consequence of a fatal jealousy between the crown and parliament. The latter were afraid of trusting the king, with the money necessary to defray the expence of maintaining the garrison, whilst the king, on the other hand, would not agree to transfer the possession of Dunkirk to the parliament. (who were willing to

for having advised this measure; and it was the most specious charge that could be urged against that virtuous and able minister.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

There is no circumstance of Charles's reign, so peculiarly disgraceful, as his acceptance of a secret pension from the court of France. To whatever difficulties a sovereign may be reduced, it is surely beneath the royal dignity, to become a voluntary dependent on another. It was particularly infamous in Charles, who had it in his power, by vigorous measures abroad, and by cultivating a good understanding with his people at home, to become the arbiter of Europe. But to pretend to be the friend of Spain, of Holland, and of Austria, when in fact he was bound by the most solemn engagements to the court of France, is a degree of treachery, much beyond the common finesse and artifices of a court, or the utmost justifiable stretch of political manœuvre. It is impossible to say, what money Charles actually received in consequence of this shameful connexion. It appears that he demanded 18,000,000 of livres, (about £.750,000 sterling,) for secretly favouring Lewis, at the congress of Nimeguen. Various other sums he also received at different times<sup>1</sup>. The whole may be estimated at £.950,000.

*Pension  
from  
France.*

The wars which this king entered into against the Dutch, were principally with a view of plundering a wealthy, and, as he imagined, an almost de-

*Plunder.*

<sup>1</sup> Hume, vol. viii. p. 206, note T. 297, note U.

# HISTORY OF THE PUBLIC REVENUE Part I.

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fenceless neighbour; at least one greatly inferior, in point of strength and resources, to the dominions which he governed. But in these selfish and interested designs, he was generally disappointed. In the first Dutch war, an East Indian fleet very richly laden, was prevented from falling into his hands, by the assistance of the Danes, who protected it in the harbour of Bergen: and in the second war, another fleet, coming from the Mediterranean, valued at a million and a half, escaped, though with considerable difficulty. Charles, notwithstanding, found means to reap some pecuniary advantages from these wars. His share of prize-money, during the first war, amounted to £. 340,000; and, in consideration of his agreeing to conclude the second peace, he received 800,000 patacoons, about £. 300,000 sterling.

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(Charles was reduced to such difficulties, that

£.1,200,000<sup>\*</sup>; but it appears from the journals of parliament, that the interest, at 6 *per cent.*, amounted to £.79,566<sup>†</sup>; consequently the principal must have been £.1,328,526.

*Revenue of  
England from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The principles of the English constitution, in regard to taxation, were at this time so fully understood, and the power of the crown to levy arbitrary impositions, so totally annihilated, that during the greater part of Charles's reign, his subjects had little reason to complain of illegal exactions. An arbitrary duty, however, was laid on coals during the war with Holland, under the pretence of providing convoys, which the parliament, very properly, complained of. And when the king, in consequence of the imprudence and misconduct of those who demanded the exclusion of his brother from the crown, had obtained a complete victory over that formidable party, and, indeed, had become almost fully master of the liberties of the people, he compelled the different corporations, to surrender their charters into his hands, and exacted considerable sums previously to their restitution<sup>‡</sup>. But this did not take place till near the conclusion of his reign.

*Extortions.*

It will now be proper to give a general view of this monarch's income and resources.

<sup>\*</sup> Hume, vol. viii. p. 326.

<sup>†</sup> Comm. Journ. vol. x. p. 109.

<sup>‡</sup> Ibid. vol. viii. p. 181.

# HISTORY OF THE PUBLIC REVENUE Part I.

## GENERAL VIEW of the Money received by Charles II. during the whole course of his reign.

### 1. MISCELLANEOUS RESOURCES.

|                                       |   |   |   |              |
|---------------------------------------|---|---|---|--------------|
| 1. Queen's portion                    | - | - | - | £. 250,000   |
| 2. Sale of the Domains                | - | - | - | 500,000      |
| 3. Price of Dunkirk                   | - | - | - | 400,000      |
| 4. Pensions and Donations from France |   |   |   | 950,000      |
| 5. Plunder                            | - | - | - | 640,000      |
| 6. Shutting up the Exchequer          | - | - | - | 1,328,526    |
| 7. Extortions                         | - | - | - | 100,000      |
|                                       |   |   |   | <hr/>        |
|                                       |   |   |   | £. 4,168,526 |

### 2. PARLIAMENTARY GRANTS.

|   |   |   |   |               |
|---|---|---|---|---------------|
| The various sums granted by parliament for public service | - | - | - | 13,414,868    |
|   |   |   |   | <hr/>         |
|   |   |   |   | £. 17,583,394 |

Thus it would appear, that Charles received, in all, about £.43,983,394 in the course of his reign, which would make above £.1,800,000 a year; a sum adequate to the national expences, had it been managed with frugality; at least equal to every necessary charge in times of peace and tranquillity; though in time of war it might have required some addition.

*Revenue of  
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from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

If we may judge from the state of the coinage during this monarch's reign, no considerable addition was made to the metallic wealth of the country. Only £.4,177,253 : 12 : 5 was coined in gold, and £.3,722,180 : 2 : 8½ in silver, making in all £.7,899,433 : 15 : 1½.

*Coinage.*

The attempt was not abandoned, during this reign, of compelling the Dutch to pay for the liberty of fishing on the British coasts. Charles demanded £.10,000 a year for granting them this privilege. Whatever justice there might be in the claim, the bad success of his warlike enterprises against that nation, could not furnish him with any flattering expectations of his demand being complied with.

*Fishing Li-  
cence.*

The financial history of this period, is distinguished by two important alterations; 1. in regard to the manner of imposing taxes on the clergy, and 2. as to the mode of appropriating the public supplies.

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erroneous, from which he contends, that only £.32,474,265 was raised upon the people of England, in the twenty-four years of Charles's actual possession of the government, making only £.1,353,095 a year. See Full Answer, p. 162. Another author (Letter to Carte, p. 101.) makes the whole sum received by this monarch £.54,842,449 or £.2,300,000 *per annum*. I have endeavoured to state a just and proper medium.

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Among the many valuable privileges which the church had acquired, in the dark and superstitious ages of modern Europe, that of an exemption of taxes was not the least considerable. Under the pretence that their power was derived from Heaven; and that their estates were the property of the Deity, and consequently sacred and inviolable, they denied all subjection to temporal authority, and refused to contribute, in common with the public at large, to the necessities of the State. The subsidies they paid, were either in consequence of bulls from the Pope, whom they considered as their spiritual, and indeed, real sovereign, or imposed by the authority of their own ecclesiastical superiors, to whom they professed, in a subordinate degree, canonical obedience.

Edward I. it has been already observed, was the first monarch of England who compelled the clergy

which were levied during the existence of the commonwealth.

After the restoration, the hierarchy and the rights of the convocation were again re-established. But the clergy were afraid that the privilege of taxing themselves, would prove a burden instead of being a benefit. They remembered that, during the reigns of the former monarchs of the house of Stuart, considerable grants were perpetually expected from them; and that such was the influence attending the clerical patronage of the crown, that much heavier taxes were imposed upon the property of the church, than on the estates of the laity. They were not a little anxious, therefore, to be put upon the same footing as to taxation and representation, that they were in the time of the long parliament; and accordingly it was agreed upon, that the revenues and property of the church, should continue to be included in the monthly assessments which were imposed<sup>1</sup>; and that the parochial clergy should be allowed to vote at elections, a right which they have since enjoyed<sup>2</sup>. These terms the parliament assented to, as they proved the means of acquiring a considerable accession to its power of taxation; and rendered the crown, still more dependent upon the only body of men, by

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

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<sup>1</sup> It was finally settled, *anno* 1664, in consequence of a private agreement between Sheldon, archbishop of Canterbury, and Lord Clarendon, in conjunction with the other ministers. See Burn's Eccles. Law; *voces*, Convocation, and First Fruits.

<sup>2</sup> The act 13 Car. II. c. 4. does not sufficiently explain how the law really stands.

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whom its wants could in any degree be supplied; nay, as an additional boon, two clerical subsidies, which had been granted by the convocation, were remitted.

The grants of parliament, were originally considered, merely as temporary aids, to assist the sovereign in defraying the expences he was subject to, for the benefit of the public; and unless the commons happened to entertain at the time, any particular jealousy of the crown and its ministers, the sum granted was commonly left entirely to their disposal. But after the restoration, not only more frequent grants were demanded, but, in consequence of the poverty to which the crown was reduced, parliamentary grants had become really necessary almost every year. It was impossible, however, for parliament, distrusting not only Charles's œconomy, but his regard for the interest of his king-

But the peers would not suffer so great a stigma on the king and his ministers to pass into a law\*. The mode of appropriation, though in the main right, was nevertheless attended with unfortunate consequences. It abated the jealousy of the commons.

*Revenue of England from the Accession of the House of Stuart to the Revolution 1688.*

It was natural for them to imagine, that grants thus strictly appropriated, could not be diverted to other purposes; and they became negligent in making the most essential of all enquiries, namely, how the public money was actually expended. At one time, committees of the house of commons, and at another, commissioners have been appointed, to examine into the public accounts: but the wound has never been probed to the bottom; and public profusion will never be fully checked, until not only estimates, which are too often fallacious and unintelligible, but accounts of the manner in which the supplies granted were really spent, are not only regularly laid before parliament, but also referred to the consideration of committees specially appointed for that purpose:

*The paper called the disposition of Grants does not answer the purpose.*

## J A M E S II.

There was no department of government, in which this rash and odious bigot, did not betray, the despotic and arbitrary principles, on which he intended that his administration should be conducted: but they were first exhibited, to their full extent, in the article of his revenue. Though the greater part

\* Hume, vol. viii. p. 85.

of his brother's income, had been granted only for  
 the life of that monarch, and consequently expired  
 with him, yet, contrary to the opinion of his coun-  
 cil, who advised him to suspend levying the duties  
 until the payment was authorised by parliament,  
 he issued a proclamation, commanding the customs  
 and other taxes to be paid as formerly; and, in his  
 first speech from the throne, after declaring that he  
 expected his revenue should be settled on the same  
 footing with his brother's, which was no unreason-  
 able request, he very plainly intimated, that any  
 attempt to secure the frequent meetings of parlia-  
 ment, by granting moderate supplies, would be  
 resented. "I must plainly tell you, that such an  
 expedient would be very improper to employ  
 with me; and that the best way to engage  
 me to meet you often, is always to use me  
 well<sup>b</sup>." Thus, he gave them to understand, that

militia were found very unserviceable during Monmouth's rebellion, he demanded a supply from parliament, to maintain those additional forces which he thought proper to levy at that time<sup>c</sup>; and he actually had in pay, 30,000 regular troops, in England alone, when invaded by his successor.

*Revenue of  
England  
from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

The only temporary grant during James's reign, <sup>Grants.</sup> which was carried into effect, was a supply of £.400,000 for the purpose of suppressing Monmouth's rebellion<sup>d</sup>. *Anno* 1685; £.700,000 were also voted; but the king, as a mark of his displeasure, and to prevent the house from interfering with his pretended prerogative, of dispensing with the tests imposed by law, for the exclusion of Catholics from offices of trust and emolument, prorogued the parliament, before the grant passed into a law<sup>e</sup>.

The propriety of granting a permanent income <sup>Permanent income.</sup> to the king for life, was one of the many important points, which James's parliament had to determine soon after his accession; and such was then the great authority of the crown, that a larger revenue was given to James, for his life, than any monarch of England had ever enjoyed<sup>f</sup>. It appears from the following account, which was laid before parliament at the Revolution, that it amounted to above two millions *per annum*.

<sup>c</sup> Hume, vol. viii. p. 180.

<sup>d</sup> Hume, vol. viii. p. 226.

<sup>e</sup> Mort. vol. ii. p. 658.

<sup>f</sup> See the arguments on both sides, stated by Hume with his usual ability, vol. viii. p. 221, 222, 223, 224. Here we

Wine licences - - -  
New impositions on wine and vinegar  
Duties on tobacco and sugar  
Duty on French linen, brandy, &c.

This account does not include articles of revenue.

Coinage.

During this monarch's reign four years, there was coined £.2,113,638 : 18 : 8½, and, 9 : 5¼; making, in all, £.2

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must take leave of this excellent advantage has been derived in the history of England, without his remarks. His work, however, The first part and the conclusion of indeed hardly equalled, by any ancient : but the middle, which he composed with less experience in writing.

It is the peculiar happiness of the people of England, that every attempt to diminish their rights, or to encroach upon their liberties, has been attended with consequences, diametrically opposite to those which were designed at the time ; and that every king who has governed ill, has given the public some compensation, for the offences or errors he committed, by proving the source of beneficial laws, and of additional checks upon tyranny and oppression. The crimes and mis-government of John, gave rise to *Magna Charta*, and all the important privileges which that charter tended to confirm. The extortions which that able and high-spirited prince, Edward I. was led into, in consequence of the expensive foreign wars in which he was engaged, occasioned the famous statute, *De Tallagio non concedendo* ; the passing of which, is unquestionably one of the most important events in the history of this country. And the exactions attempted to be enforced, by the first princes of the house of Stuart, joined to James's obstinacy, bigotry, and infatuation, were productive of a revolution, equally favourable to our civil and religious liberties, and of the establishment of a form of government " the most perfect in theory, and " the happiest in practice, that has ever existed " among mankind : " a constitution which, it is proper to observe, was not the offspring of haste, or projected by one man ; but was gradually formed in the course of a long and important struggle, which lasted from the death of Elizabeth, to the

*Revenue of  
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from the  
Accession of  
the House of  
Stuart to the  
Revolution  
1688.*

*Reflexion.*



HISTORY OF THE PUBLIC REVENUE Part I.

island; dependencies of great value and importance; an extensive commerce; flourishing manufactures; a superior system of agriculture; a high character for ability and valour; and, joined to all these advantages, a system of government, unequalled in the annals of mankind for the blessings which it affords<sup>b</sup>.

<sup>b</sup> This paragraph was originally written *anno* 1785.

END OF PART I.

## P A R T II.

## C H A P. I.

*Of the various Modes of providing for the extraordinary Expences of a Nation.*

THE charges incurred by a nation, in times of peace, seldom exceed its ordinary income, or what it may be made to produce. It requires no great revenue, to maintain the persons who are entrusted with the general government of the country; to support such magistrates as are employed in expounding the laws, and in distributing justice; and to defray the expences of such public works, as are essentially necessary for the benefit of the community. Indeed, if nations were always at peace, supplying a revenue for public purposes, could never prove burdensome to society.

Various  
modes of  
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dinary Ex-  
pences of a  
Nation.

But the necessity there is, from the turbulent disposition of the human species, and the ambition of those individuals who govern the affairs of States, to be perpetually providing for the expences of war, is uniformly attended with the heaviest charges.

may require ; and every part of his fortune, to defend community to which he belongs the wealth, which it has against the attacks of its enemies.

It is evident therefore, that necessarily exists, between for times of peace, and the requisite, to defray the various a war must occasion.

The ingenuity of mankind in modern times, has been much to discover, what is the best of these extraordinary expence have been suggested for that purpose, 1. To accumulate peace, adequate to the exigencies levy the necessary supplies means of extraordinary additional exact compulsive loans from

Each of these modes it is proposed briefly to examine.

*Various  
Modes of  
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### I. Accumulating a Treasure.

At the commencement of political societies, a considerable share of the territory they possess, is uniformly dedicated to national purposes. In the infancy of States, however, there is neither inclination nor opportunity to be prodigal; and consequently, when there happens to be any surplus, after defraying the necessary expences, it is in general accumulated into a public treasure, and reserved for any unforeseen emergency. In ancient times, the practice was very prevalent; and, in England, the monarchs who lived after the conquest, were provided with such treasures, owing as much to their inability to expend their revenue, as to any parsimonious disposition, or any forecast for the future.

Sometimes, however, the system of accumulation has arisen from real foresight; and among the various acts for which the political wisdom of the Romans has been celebrated, some authors have included their levying a tax for the express purpose of preparing a fund for public emergencies. The commonwealth, we are told, had hardly been established by the expulsion of Tarquin, before they began to collect the *Aurum Vicesimarium*, or impost of the twentieth penny, upon the sale of slaves; the amount of which was deposited in the temple of Saturn,

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the commonwealth was the

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in consequence of so useful  
that tends to diminish the  
prejudicial. A system of t  
hurtful, before industry ar  
and at such a period, may  
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of money is collected in criti  
in general, it would be bet  
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A well-known and eminent author, has notwithstanding vehemently contended for continuing the practice of the ancients ; and in particular grounds himself upon this idea, “ That the opening of such a treasure, necessarily produces an uncommon affluence of gold and silver, serves as a temporary encouragement to industry, and atones, in some degree, for the inevitable calamities of war<sup>b</sup>.” Unfortunately for this author’s hypothesis, the same circumstance, namely the abundance of gold and silver, which alleviates the calamities of war, augments also the blessings of peace ; and those blessings are necessarily diminished where treasures are accumulated : indeed, a public hoard can hardly be collected, without reducing a nation, in point of commerce and circulation, to much the same situation in times of tranquillity, as in the midst of war. Besides, it is proper to remark, that the Romans always endeavoured, in the first place, to procure money by loans, and never applied to their treasure, but when their credit was exhausted<sup>c</sup>.

*Various  
Modes of  
providing for  
the extra-  
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There are other unsurmountable objections to the amassing of public treasures ; such as, the dangers

<sup>b</sup> Hume’s Essays, vol. i. p. 365.

<sup>c</sup> The following extract from Livy, shews the patriotic spirit of the Romans, during the second Punic War, “ Quum hæc inclinatio animorum plebis, ad sustinendam inopiam ærarii fieret ; pecuniæ quoque pupillares primo, deinde viduarum cœptæ conferri : nusquam eas tutius sanctiusque deponere creditibus, qui deferebant, quam in publica fide. Inde si quid emptum paratumque pupillis ac viduis foret, a quæstore perscribebatur.” T. Liv. Lib. xxiv. c. 18.

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with which they are accompanied; of usurpation in monarchical governments; of despotism in free States; and, under every form of government, of being improvidently expended. It appears from the history of England, that the usurpations of the three monarchs who reigned after William the Norman, were greatly owing to their having secured the treasures of their predecessors. We learn also from the history of the Roman Commonwealth, that if no public treasure had existed at the time, Cæsar could hardly have succeeded in his daring attempt upon the liberties of his country: and it is well known, that the immense treasure which the republic of Athens had been accumulating for the space of fifty years, and which at last amounted to above ten thousand talents, was dissipated in rash and imprudent enterprises, to the ruin of the State<sup>a</sup>. Indeed, if nations are tempt-

*Various  
Modes of  
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## II. Raising the Supplies within the Year.

When a nation finds that its expences exceed its revenue, and that either no treasure has been accumulated, or that it is inadequate to the charges which are likely to be incurred, it naturally endeavours to raise extraordinary supplies, by additions to its ordinary income. It was upon this principle, that aids were originally granted by Parliament to the Kings of England: nay, at the Revolution it was imagined, that a general excise, in addition to the usual revenue, would have furnished money sufficient to defray the expences of the war\*. Various circumstances, however, necessarily contributed to render such a plan at that time impracticable. The instant of a revolution, is an improper period, for increasing, in any great degree, the burdens of a nation. Many would have rejoiced at such an opportunity, of spreading disaffection to the new government. Taxes were at that time peculiarly unpopular in England; insomuch that it was thought necessary, in order to ingratiate the new sovereign with his people, to diminish, instead of increasing the revenue, and to repeal the productive duty of hearth-money, by one of the first acts, to which William III. gave the royal assent, after his accession.

The mode of raising the extraordinary expences of the nation, by supplies within the year, has of-

\* Davenant's Works, vol. i. p. 18.



“ which has been the ca  
“ debt<sup>f</sup>.”

Postlethwayt, (a labor  
in a work published *an*  
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public attention<sup>l</sup>. He 1

<sup>f</sup> Serious Considerations on th  
Nation labours under, p. 20.

<sup>g</sup> Great Britain's true System,

<sup>h</sup> Postlethwayt himself, in hi  
*fine*, acknowledges, that when h  
plies within the year, he never

property of the nation, amounts to *one thousand millions* in real value, a duty of one and a half *per cent.* therefore on every man's capital, paid by instalments, would raise, in the course of two years, fifteen millions; and he calculated, might, without much œconomy, support a vigorous war for that space of time. The same ideas were also enforced by the ingenious Mr. Arthur Young; but he contends, that the additional taxes should be levied, not upon capital, but upon income. The permanent income of the nation, he imagines to be one hundred millions *per annum*, which could easily bear a permanent burden of thirteen millions, and would yield besides, without much oppression, a temporary aid of eight millions more <sup>k</sup>.

*Various  
Modes of  
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The advantages that would have resulted from this mode of raising the supplies, are displayed by the authors above-mentioned, in the most flattering colours. Land, it was said, instead of selling from 20 to 25 years purchase, would soon reach from 27 to 32. The three per cents would rise from 60 to 88; and obtaining money upon mortgage, would no longer be attended with difficulty. The alarming prophecies concerning a national bankruptcy, would vanish; and more would be done towards procuring an advantageous peace, than could be effected by many victories. Nay, the Chancellor of the Exchequer, (Frederick, Lord North,) in the open-

<sup>k</sup> Polit. Arithmet. Part II. By Arthur Young, Esq; p. 44.  
37.

HISTORY OF THE PUBLIC REVENUE Part II.

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ing of the budget 24th February 1779, declared  
in parliament, " That such a plan, he conceived,  
" would not be difficult, if there was a full confi-  
" dence in government. Great sacrifices, it was  
" true, must be made, and many gratifications  
" given up: but if the measure should become  
" necessary, that consideration ought, and he be-  
" lieved would give way. The honour, the glory,  
" nay the very existence of the country, might  
" require it'."

To carry such a plan into effect, two things are  
requisite; first, power and resources in a State;  
secondly, inclination in the Public at large.

The ability of a nation, to make a great addi-  
tion to its revenue, amidst all the horrors and ca-  
lamities of war, more particularly in modern times,  
when hostilities are prolonged to such a length, and  
are carried on in so extensive a manner, is at best

# Ch. I. OF THE BRITISH EMPIRE.

Besides, in a country like England, the wealth of which depends so much upon the security and prosperity of its commerce, such a plan would be attended with peculiar difficulties. The following is Mr. Young's calculation of the annual income of the nation :

|   |         |                |
|---|---------|----------------|
| Income from Land  | - - -   | £. 63,000,000  |
| — from Manufactures   | - - -   | 20,000,000     |
| — from Commerce, and the profits of<br>our Colonial Possessions | - - - } | 17,000,000     |
|   |         | £. 100,000,000 |

Thus it is supposed, that thirty-seven millions of the national income, arises from property, liable, in time of war, to great hazard, and much diminution in point of value, and consequently unable to bear any heavy additional burden.

Or, if instead of income, the capital of a country, according to Sir William Pulteney's idea, is to be taxed ; without dwelling upon this objection, that people may have great property, without having much money at command, it will be easy to perceive the difficulty of collecting the tax, and the great uncertainty of its produce, when it is considered, that the supposed capital of *one thousand millions*, comprehends the value of the land ; value of houses ; the value of stock of all kinds ; of materials for manufacture ; shipping ; cash ; money in the funds due to natives ; and, in short, every thing that can be denominated wealth or property<sup>m</sup>.

<sup>m</sup> Considerations, &c. by William Pulteney, Esq; p. 28.

that hardly any administrative, or even the general people. In luxurious and comfortable are the best calculated, in executing such a plan, individuals interested, and so fond of pleasures of dissipation, that zealous, and few would curtail most insignificant gratifications contributing, to equip an defence of Madras, or the Navy, it is questionable, whether doors, would rouse them from

The plan of raising its force however, is a circumstance ought to have in view, as absolutely necessary for its defence; and perhaps it might be more pressive, and more practicable a part of the new additions in kind. and if the furnishing

of recruits; the providing of a certain number of seamen, or a certain quantity of naval stores, &c. &c. were considered as a sufficient equivalent for the new taxes, at a certain reasonable conversion. For there may be property in a country amply sufficient to carry such a plan into effect, and yet, *where money is demanded*, it may be rendered impracticable, from the want of a sufficient quantity of circulating specie. Such a plan might perhaps be attempted, if the real strength and resources of the kingdom were fully known; and if it were ascertained, what each district could afford for the public service, on any important emergency, not only in money, but in other articles useful to the State<sup>o</sup>.

*Various  
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### III. Compulsive Loans.

Voltaire has described, in his usual sprightly manner, the loans which were extorted from their subjects, by the ancient Kings of England. "Those who lent their money (he says) generally lost it, and those who did not lend, were sent to jail<sup>o</sup>." And it is evident, from what has been

<sup>o</sup> The plan of raising a part of the supplies within the year, lately attempted in this country, by a tax on income, will be afterwards considered. After a short trial, it has been abandoned by the person, by whom it was originally proposed, and he has returned to the funding system.

<sup>o</sup> General History, vol. iii. part vi. c. 3.

individuals, to contribute  
crown, may be traced to  
our history<sup>1</sup>. Foreign m  
words of the record, " ha  
" conferred upon them, b  
" ance of the King, *repoi*  
made subject to this exacti  
ful and necessitous reign  
practice was afterwards ex  
the kingdom; but it was  
obnoxious, that, among  
Richard II. was deposed,  
(or rather extorted, under t  
ing,) great sums of money  
paid, is particularly insisted

In the reign of Henry V  
were passed, discharging all  
loans, whether voluntary o.

<sup>1</sup> Stevens (Pref. p. 15.) states,  
manuscript in the Cottonian library,  
in the reign of Henry V.

credit of the crown of England, in consequence of these harsh and rigorous measures, continued at the lowest ebb, until it was revived by the prudent measures taken by Elizabeth, and the punctuality which she maintained. In general, she found little difficulty in borrowing money, without being obliged to have recourse to compulsion. But she was sometimes reduced to the necessity, of imitating, in this respect, the example of her predecessors; and occasionally issued letters under the privy seal, demanding the loan of a specific sum of money, from the wealthiest of her subjects. "This, (according to "an old writer,") was, "an enforced piece of state, "to lay the burthen on that horse that was best "able to bear it, at the dead lift, when neither her "receipts could yield her relief at the pinch, nor "the urgency of her affairs, endure the delays of "a parliamentary assistance".

By the famous petition of right, compulsive loans are abolished, except with the consent of parliament. The words are important, "That no "man hereafter be compelled to make or yield any "gift, loan, &c. without common consent, by act "of parliament". Hence it may become a curious subject of political speculation, whether the plan of compulsive loans might not be improved, so as to answer many beneficial public purposes; and

\* Naunton's *Fragmenta Regalia*, p. 12.

" 3 Car. I. c. 1. s. 10.



terms, and the enormous money-lenders, who take every unfair advantage would be prevented. It can be procured by other man will ever have recou

#### IV. Volunt

Of all the modes therefore for defraying the extraor tion, that of borrowing fr lend their property upon th tionably the most efficaci improper, briefly to state tem.

2. On valu-  
able pledges.

The most ancient, and p rind of society, the most n ing any considerable sum of ing to the lender, some arti

of which is well known, or can easily be ascertained. It was a long time, before other modes of security were invented, or usually practised. Nay, after bonds and written obligations had become more frequent, recourse was occasionally had to pledges; and many of the Kings of England were reduced to the necessity of pawning their jewels, crown, and other valuable effects, in critical emergencies.

*Various Modes of providing for the extraordinary Expences of a Nation.*

John, King of France, we are told, nobly declared, that if good faith were banished out of the rest of the world, yet that it ought still to be found in the breasts of princes; and such in general is the confidence placed in the Royal Diadem, that there are few monarchs, who are not able to raise some money upon their personal obligations. But the amount of such sums is seldom very considerable. Indeed, the additional security of the City of London, (and occasionally of the principal Ministers of State), was required, before some of the Sovereigns of England, could, in this manner, obtain the money which their necessities demanded.

2. On Personal Security.

In almost every country, the laws have fruitlessly endeavoured, to prevent the dissipation of the Royal Domains; and in England, it was held impious to alienate them. Nay, as an additional check, every King was entitled to resume his own grants, or those of his predecessors. Mortgaging the Domains, however, has in general been permitted, as a less pernicious measure, though often attended with more ruinous consequences. For, after any

3. By mortgaging the Public Domains.

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and anticipating its produ  
cient practice in England.  
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and it is certain, that in t  
Beaufort gave a sum of mon  
upon the security of the C  
Southampton<sup>x</sup>. Various  
anticipations will occur in a

When any branch of the  
it may either continue unde  
public officers, as is the case  
be entrusted to the care of t  
practice in France. The fi  
free; the second, to a despe  
under every government,  
found necessary, to farm the  
creditors of the public, or t  
their profession. For, such  
mankind, and such their dis  
that they would never beco

and the public may afterwards, through the medium of its own officers, reap the benefit of such discoveries.

*Various Modes of providing for the extraordinary Expenses of a Nation.*

Another mode of borrowing money, is by granting annuities for a certain fixed space of time, at the end of which they are totally to cease. The experience of England tends to demonstrate, that this not an advantageous mode of procuring money: at least the demand of the creditor is proportionably higher, for short, or even long annuities, than when a perpetual annuity is granted; and a nation which adopts the funding system, ought to consider itself as a great and permanent corporation, and ought to adopt that plan, which, in the course of many centuries, is the most likely to be of advantage to the community, without regarding immediate profit, or temporary conveniencies.

5. By temporary Annuities.

Annuities for lives, is another mode that has been frequently practised, and by some is accounted the most advantageous. But it is hardly possible for a nation, when it is in distress, by any means to make a profitable bargain with a money-lender, particularly on the principle of granting temporary annuities. Thus, when annuities for lives are granted, the creditor takes care to pitch upon the persons who are the most likely to live long, and who consequently will prove, for the longest period, a burden upon the State. Nor have all the flattering hopes, which Tontines hold forth to the avarice of mankind, been able to procure money by life annuities, on advantageous terms to the public.

6. By Annuities on Lives.

When

of such privileges, may  
the public, as well as pri  
in them. The two Co  
are in some respects of  
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vantage, are certainly  
or peculiar privileges, c  
height, without injuring  
ing the industry of a cou  
minishing the national ca

8. By Per-  
petual An-  
nuities.

The last mode of bor  
purposes, *and the clima*  
when a nation grants cer  
tors, *for ever*, subject to  
price. This is a modern  
ancients seem to have hac  
fact, selling for ever, a b  
nue. It will appear, in t  
Work, that by the ingenui  
this mode of raising money

the nation cannot redeem such perpetual burdens, without paying sums, considerably greater than it ever received, at least when the stocks, are raised from a low price, to any thing approaching to their nominal value.

*Various  
Modes of  
providing for  
the extraor-  
dinary Ex-  
pences of a  
Nation.*

Such are the various modes of providing for the extraordinary expences of a nation : to which might be added, exchequer bills, and debentures of every kind, the sale of offices, as those of judicature in France, and the alienation of the public domains so universally practised. On the whole, it is easy to perceive, that every plan of raising extraordinary supplies, is attended with considerable difficulties. Perhaps, in different periods of society, different plans ought to be adopted. At first, wars are carried on in a desultory manner, and on a narrow scale ; and a wise statesman will then endeavour to procure, within the year, as great an addition to the ordinary income of the public, as the nation can be prevailed upon to pay. But in times like these, when hostilities are extended over every quarter of the globe ; and when, from ten to above thirty millions of additional resources, must be levied for military and naval purposes, raising the supplies within the year, is a measure, which, however desirable, can hardly be put in practice.

*Conclusion.*

With regard to the best mode of borrowing money for the public service, it is proposed to investigate that important question, in the following Chapter.

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heavy load of public de  
every nation in Europe is e  
fore very natural to enqui  
anxiety, into the circumst  
their existence ; and into t  
vantages they have produ  
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## I. Causes of the Public Euro

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mode of providing for the  
that of collecting treasures  
many have accounted such  
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ney is less necessary for in

purchasing luxurious superfluities from other countries. When treasures thus collected, are issued, they revive circulation; and amidst all the calamities of war, give new vigour to a state; and as the public is thereby enabled to give ready money for provisions, and other necessary articles, it can always procure them upon easy and moderate terms. But modern nations, it is said, having no treasures collected, find themselves reduced, at the very commencement of a war, to the necessity of borrowing. The money they raise, when expended in distant operations, instead of being thrown into circulation, is actually taken out of it; and at the same instant, that twelve millions are procured by the minister, the manufacturer, and the husbandman, are involved in the greatest misery and distress.

*Public Debts  
in general.*

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Such reasoning is plausible, and it is certain, that if considerable treasures were collected, they would, in a great measure, prevent the necessity of contracting debts, unless on very important emergencies. It appears, however, from the preceding Chapter, that public hoards are necessarily productive of so many political evils, as greatly to outweigh any advantage that could possibly be derived from them.

But the heavy burdens with which the existing powers of Europe are encumbered, are owing, not only to the want of public treasures, but also to the different manner of conducting hostilities in ancient and modern times.

Formerly,



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great length, and becomes  
pensive. Thus, neither of  
procure any great superior  
tage; and hostilities are car  
sources of one, or both of  
and it is found impossible to  
augmenting the ordinary rev  
on the public faith.

In ancient times, wars we  
their duration, but means  
principles were adopted, whi  
cuniary supplies less necess  
Formerly, the whole was a  
devastation. The persons and  
enemy, were at the entire dispo  
and the general estimated the pr  
not only by the quantity of m  
fonal effects he had seized : h

part of the plunder taken in the campaign, was accounted for to the public ; and many a Roman general, after defraying the charges of the war, from the booty he had acquired, was also able to make considerable additions to the public treasury, amidst the triumphal shouts of his countrymen.

*Public Debts  
in general.*

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The arms now made use of, are also much more expensive than those of antiquity. The shield, the spear, the lance, the javelin, and the bow and arrow of the ancients, cannot be compared, in regard to price, with the modern musquet ; particularly when the reiterated expence of powder and ball is taken into consideration. And as to military engines, there can be no comparison, in point of cost, between a modern train of artillery, and a set of battering-rams and catapultæ.

But the principal source of national expences, in these times, when compared to those of antiquity, arises from naval charges. It is at sea, where all the modern nations have wasted their strength. It is on that element, that those debts have in a great measure been contracted, under the pressure of which they now groan. Had the rage of equipping numerous fleets, and building ships of great magnitude and dimensions, never existed, hardly any state in Europe would have been at this time in debt. To that fatal ambition, their present distressed and mortgaged situation, ought chiefly to be attributed<sup>a</sup>.

<sup>a</sup> It will appear in the farther progress of this Work, how considerable a share of the revenue of England has been expended on its navy.

posed to give, a general view  
of the question.

## II. Advantages of th

Montesquieu, after stating  
inconveniences of public debts, fi  
"advantages". Such incu  
dit on which they are found  
beneficial, as some authors  
represent them; but this  
to have formed, on this oc  
a conclusion.

7. Advan-  
tages in  
time of war.

It is hardly possible for  
to consider the subject  
consequences resulting from  
prosecution of a just and ne  
bated Bishop of Cloyne v

France, and indeed over all the other States of Europe ; that it is a mine of gold to this country ; and that any measures taken to lessen it, ought to be dreaded<sup>c</sup>. In fact, the great success which has uniformly attended the arms of Great Britain, when its affairs have been wisely and prudently conducted, has been entirely owing to the ease with which any sum, however great, could be procured for the public service.

Indeed, when money can be raised without difficulty, the greatest exertions may be made, with the highest probability of success. No attempt is rendered fruitless, from the inability of sending force sufficient to achieve the enterprise. Pinto's observations upon this head are conclusive. " If  
 " a nation (he remarks) is able to raise only two  
 " thirds of the money which any particular service  
 " demands, those two thirds will probably be  
 " thrown away. If the English, for instance, had  
 " sent a fleet and army, weaker by one third  
 " than it was, to conquer the Havannah, the ex-  
 " pedition would not only have miscarried, and the  
 " whole expence would have been lost, but that  
 " loss would have occasioned many others. In-  
 " stead of the treasure, and other advantages pro-  
 " duced by their success, every circumstance would  
 " have been inverted<sup>d</sup>." By the magic of public

<sup>c</sup> The Querist, No. 233, 234.

<sup>d</sup> Essay on Circulation and Credit, p. 41. The translation by Mr. Baggs is referred to, on account of the valuable Notes which it contains.

the private revenue of individuals, than if the supply were increased the year; and consequently at least whilst the war continues, some part of their revenue may be saved by their frugality and industry, which the waste of the government, may occasionally make up the capital of the State<sup>1</sup>.

\* See Mortimer's Elements of

<sup>1</sup> Smith's Wealth of Nations, &c.  
At this point, let us suppose, that during the war we were to have twenty years of peace, for the carrying on of which, the supplies must annually be raised. At this advantage, to levy the ten millions annually, and pay nothing during peace; or to pay an equal share of the expenses in time of war? If a common carrier is to remove, is it not better for him, to remove upon his horse's back, gradually, than in a sudden manner, when a State, for its safety, is to make great exertions, and to lay

But there are other advantages resulting from the funding system, which it may be proper here to Public Debt in general. mention.

If supplies were raised within the year, and the expences of war were considerable, every individual would be obliged, in consequence of the additional weight of his contributions, greatly to curtail his expences; and the employment of the poor, and the consumption of the rich, would be considerably diminished. Whereas, when taxes are nearly equal, in times of peace and war, (which can only be the case where the system of funding is adopted,) the value of every species of property, the mass of national industry, and the circulation of national wealth, are maintained on as regular, steady, and uniform a footing, as the uncertainty and instability of human affairs will admit\*. Indeed, before public credit is carried to too great a height, a war maintained by national loans and

\* See Gale on Public Credit, part i. sect. 3. Nay, this intelligent Author contends, that borrowing money is, not only the most convenient method of raising extraordinary supplies, but is also productive of an actual saving to the State. But his arguments in support of such a position are obscure, and are not justified by recent experience. Besides, he does not take into his consideration, the charges of management, nor the heavy expence of collecting the revenue necessary to defray the interest of a public debt, nor the commercial disadvantages with which taxes are accompanied; and particularly forgets, that duties on consumption, which must at last be resorted to, take considerably more out of the pockets of the public, than comes into the exchequer.

HISTORY OF THE PUBLIC REVENUE Part II.

*Debts  
eral.* and circulation of the country would probably be injured<sup>1</sup>.

At the same time, it is proper to observe, that when foreigners are admitted into the public funds of a country, they become naturally interested in promoting its happiness and prosperity. "Where their treasure is, there will their hearts be also." And not only many wealthy individuals who are born in other countries, are gradually led to consider the State in which their property is settled, as their home, and thence are induced to come and reside in it; but if any great revolution, or a long series of destructive hostilities were to take place on the Continent, (from which we might be happily exempted in consequence of our insular situation,) the greater part of our foreign creditors, might find it equally necessary and desirable, to shelter them-

was carried out of it. If France, for example, *Public Debts in general.* maintained its wars by borrowing money, and England raised all its supplies within the year, the necessary consequence would be, that all the loose and unemployed money of England, instead of remaining here, exposed to the chance of being taken up by a government, who gave no interest in return for the use of it, would naturally be transmitted to France, where it could be placed out to advantage. It is well known, that the prospect of high interest, has tempted many unworthy Englishmen, to invest their property in the funds of that kingdom: and we may judge from thence, what would be the case, if the funds of England were not in existence. In every State, however poor, laws are enacted to prevent the exportation of its specie, and the diminution of its circulating wealth. But the establishment of public debts is the most likely means to hinder it. For none but profligate usurers, would think of sending their property into another country, to support the credit and consequence of a foreign, and perhaps an inimical power, when it is possible to lay it out at home, with any tolerable advantage.

Public debts are particularly favourable to circulation. The taxes which they occasion upon the property of the rich, and the encouragements which they hold forth to the avaricious, prevent the accumulation of private hoards, and bring the whole money, and personal property of a country, into the market. The beneficial consequences resulting from

4. Brings money into circulation.



HISTORY OF THE PUBLIC REVENUE Part II.

*Debts  
real.* from such a circumstance are well known. Unless the property of a nation circulates, it is of no real use to the community. Treasures concealed and hoarded up, might as well still remain in the bowels of the earth, for any benefit they yield to the public.

*aches  
to* We are told, that Eumenes king of Pergamus, one of the ablest statesmen of antiquity, finding that he had reason to distrust some of his officers, borrowed money of them, with a view of insuring their fidelity; as they might easily perceive, that they stood no chance of being repaid, if by their treachery his ruin was effected: and it is said, that Bishop Burnet, with similar views, advised William III. to run the nation into debt, in order to secure the support of the wealthiest individuals in the kingdom<sup>a</sup>. But it is probable, that the debts contracted at the Revolution, were more owing to the

ditional circumstance should take place, which contributes to confirm the stability, and to prolong the existence of an established government, whilst it is conducted with sufficient attention to the rights and happiness of the people.

*Public Debts.  
in general.*

The facility with which individuals, in a country where public debts exist, can lay out the property they have acquired, by their labour or ingenuity, without the risk of commercial bankruptcies, or the unavoidable expences and small profit which landed estates yield, and without even abandoning their professions, is no small encouragement to industry. To a certain extent therefore, such public securities, are highly useful to a trading people°. It encourages a set of men, described by Hume, as half merchants, and half stock-holders, who are able to carry on trade without great pecuniary advantages; because commerce is not their principal or sole support, their property in the funds being a sure resource for themselves and their families. "And the small profit which such merchants require, when compared to what otherwise would be necessary, renders their commodities cheaper, causes a greater consumption, quickens the labour of the common people, and helps to spread arts and industry throughout the whole society."

6. Encourages commerce and industry.

Nay, Pinto is so enraptured with the funding system as to contend, that every new loan creates a

° Blackstone's Commentaries, vol. i. p. 328.

¶ Hume's Essays, vol. i. p. 366, and 367. The whole passage is admirable, and ought to be carefully examined,

*the Debt  
general,*

new artificial capital, which did not before exist, which becomes permanent, fixed, and solid, and circulates with as much advantage to the public, as if so much real additional treasure had enriched the kingdom<sup>s</sup>. And another author roundly asserts, that if our national incumbrances were paid off, we should be obliged to run ourselves again, as fast as possible, into debt; in order to recover our trade, our happiness, and our prosperity<sup>r</sup>. But such a whimsical mode of coining wealth, of amassing treasure, or of insuring the prosperity of a nation, no wise State will probably much depend on.

Such are the advantages which are commonly enumerated, as connected with the funding system; and so beneficial do they appear, that one author, who has carefully investigated the subject, calls it a master-piece of human policy<sup>s</sup>; and another com-

## III. Disadvantages of the Funding System.

It is difficult to arrange, the multifarious arguments, which in various languages, and from authors almost innumerable, have at different times been thrown out, to prove the dangerous consequences, and indeed inevitable ruin, which necessarily attend public debts, when carried to any height. It is proposed, however, to investigate with as much brevity as possible, 1. The dangers which result from this mode of procuring money when accompanied with too great facility in raising it: 2. The pernicious consequences resulting from public debts, whilst they remain unpaid: and 3. How far they have a destructive tendency to increase and accumulate.

The possession of unbounded credit, like the accumulation of an immense treasure, is too apt to make a nation inclined to engage in rash and dangerous enterprises; and a State that can borrow fifty, or, if necessary, even a hundred or two hundred millions, in the course of a war, thinks itself entitled to become an umpire among surrounding nations, and readily draws its sword upon every trifling occasion. Hence debts are often contracted, not in support of measures advantageous to the public, but in ridiculous quarrels, to gratify the humour of a headstrong populace, or to carry on the visionary projects of the sovereign, or his ministers.

1. Dangers  
resulting  
from too  
great facility  
in raising  
money.

*Debts*  
*real.* nisters. "It is scarcely more imprudent, (says Hume,) "to give a prodigal son a credit in every "banker's shop in London, than to empower a "statesman, to draw bills in this manner upon "posterity." Nay, this is a disadvantage attending the funding system, which its warmest advocate is under the necessity of acknowledging<sup>2</sup>.

When a nation also borrows money, it is generally in a state of distress, and must submit to any terms which the money-lender thinks proper to impose. That unhappy situation, the creditor uniformly takes advantage of, to make the public pay dear for the assistance it receives.

"*Hinc usura vorax, avidumque in tempore fœnus,*  
"*Hinc concussa fides, & multis utile bellum*."

Nay, if hostilities are not carried on to maintain the essential interests, or to preserve the very existence of a nation, it is no undesirable circumstance

their fleets and armies, and celebrating the valour of their troops, and the conduct of their commanders\*.

*Public Debts in general.*

But if it were allowed that a nation, when it contracts public debts, may reap considerable benefit by expending the money that it borrows, in well-judged and successful enterprises; yet it is evident that such incumbrances, must be attended with considerable disadvantages, whilst they remain unpaid.

2. Pernicious consequences of public debts whilst they remain unpaid.

1. The income required, to pay the interest of public debts, is a heavy burden upon the wealth and industry of a nation. The additional taxes, which it gives rise to, necessarily occasion an increase in the price of all the necessaries of life, and renders it more difficult for the manufacturers of a mortgaged State, to carry on a successful competition with the subjects of other powers, who may happen to be in a less embarrassed situation; and it is well known, that the ruin of the manufacturers of Holland, is universally attributed to the weight of taxes, which the public debt of that country had entailed upon it. Nay, what some authors consider as the most obnoxious of all the public evils, consequent to the funding system, is, that the active and industrious subject, should thus be loaded with heavy burdens, to maintain the useless and indolent creditor in luxury and splendour\*.

\* *Wealth of Nations*, vol. ii. p. 550, 551. 558, 559.

\* *L'Esprit des Loix*, l. xxii. c. 17. *Blackst. Comm.* vol. i. p. 329. *Hume's Essays*, vol. i. p. 368. *Raynal*, vol. iv. p. 454.

*Debit  
total.*

2. Public debts have also a tendency, to promote idleness and immorality among the people at large. The money necessary to pay the interest of such incumbrances, cannot be raised, unless the legislature promotes, or at least winks at, immoderate expences in all the different ranks of the people. A large and voluptuous capital is therefore suffered to increase, and meets with every possible encouragement, notwithstanding its tendency to corrupt the manners, and to diminish the numbers of the people. But every object of that nature, however important, must be sacrificed for the benefit of the revenue<sup>b</sup>.

3. When a nation is encumbered with debts, a pernicious spirit of gambling is introduced. Stock-jobbing, with all its train of dangerous consequences, necessarily arises: A monied interest is erected, the sole employment of which, is, that of

view<sup>d</sup>; and unfortunately, to a certain extent, that circumstance must be admitted. It is the hope of Public Debts in general. great advantage, (and without gambling, much profit could not be acquired) which engages individuals to subscribe to new loans, and collects together the immense sums of money which are necessary for that purpose. The practice is, at the same time, attended with so much real injury to individuals, that no advantage can compensate for the mischiefs which it produces<sup>e</sup>.

4. But a nation is not only heavily burdened, to defray the interest of its debts, but is also obliged to maintain a number of officers, to collect such branches of the revenue, as are appropriated to that purpose, and to defray the expences, with which the conducting or management of public funds is attended. And in a limited monarchy, like that of England, such a circumstance is peculiarly injurious; for the creation of a number of places, and the entertaining a whole host of officers of the revenue, has a tendency to produce, very important alterations in the nature of its government<sup>f</sup>.

5. If public debts attract money from abroad, they are also attended with the pernicious consequence, of rendering one State in a manner tributary to another. It is supposed that foreigners,

<sup>d</sup> Essay on Public Credit, p. 37, 38.

<sup>e</sup> See this subject fully and ably discussed, in Mortimer's Elements of Finance, p. 374. 392.

<sup>f</sup> Black. Comm. vol. i. p. 336. Elements of Finance, p. 373. 387, 388. Original of the National Debt, p. 15.



## HISTORY OF THE PUBLIC REVENUE Part II.

*Debts  
publ.*

must be possessed of at least thirty millions of the national debt of England, and consequently must receive, above a million a year from this country. If we were obliged, (as one author very ingeniously remarks,) to pay a tribute of that amount to France, or to any other foreign State, every person would declare, that the nation must infallibly be undone; yet, the tribute paid to foreign creditors, is, at present, on a footing infinitely more pernicious<sup>a</sup>: for it is impossible to get clear of it, unless by a public bankruptcy, or by paying above thirty years purchase to the foreign annuitants; a sum equal perhaps to the whole specie that circulates in the nation<sup>b</sup>. But the experience of England, does not tend to justify such political speculations; and there is still some reason to hope, that permitting foreigners to acquire property in our funds, instead of proving the means of transporting our people, and our industry, to other climes

they are incurred. Wars, though perhaps necessary for the safety of a State, must be avoided; for the resources by which they ought to be carried on, are already spent. Among the other causes therefore of national ruin, the practice of funding is enumerated, as, sooner or later, the source of weakness and desolation to every State where it has been adopted<sup>k</sup>.

*Public Debts  
in general.*

Every political system, may in two respects be highly exceptionable. It may either be founded on improper principles in itself, or it may have a strong and natural tendency to be perverted. To the latter objection, it can hardly be denied, that public debts are particularly exposed.

3. Tendency to increase and accumulate.

In fact, not an instance can be produced from history, of any nation having once begun to run itself into debt, that the burden was not perpetually increasing. No considerable progress was ever made, excepting in France, under Sully's administration, in diminishing such incumbrances. The same want of public zeal, (which perhaps was the occasion of a national debt being originally contracted,) renders it popular to defer taking any manly and decisive measures, for the liberation of the revenue. The parties principally interested, become every day more callous and insensible to the dangers they are likely to encounter, or are

<sup>k</sup> Ferguson's Essay on Civil Society, p. 383. Smith's Wealth of Nations, vol. ii. p. 363, 364. Hume's Essays, vol. i. p. 369. 372. Blackst. Comm. vol. i. p. 329.

## HISTORY OF THE PUBLIC REVENUE Part II.

*ic Debts*  
*ntal.*  
ignorant how deeply they are concerned in preventing such delays. The creditor is in general satisfied, with having his interest punctually paid him; and, at any rate, is not entitled to demand the capital of his debt. The minister, happy to be relieved from the most obnoxious of all duties, (that of adding to the burdens of the people in time of peace,) employs his thoughts, in concerting the means of preserving his own power, and of humbling his opponents, regardless of the immortal reputation he might acquire, by pursuing a different system; whilst the public at large, loaded with accumulated burdens, hating the past, and dreading the future; without zeal, and without spirit, prone to sloth, and incapable of exertion, suffer matters to go on as they are, neither knowing what to hope, or what to fear.

Such are the principal objections which have

flourishing situation; and consequently, that our national incumbrances, are not quite so destructive, as they have sometimes been represented. But the funding system, on its present footing, is doubtless attended with many fatal consequences. It is a question therefore of considerable importance, whether a plan of borrowing money *might not* be formed, liable to no material objection, productive of many public advantages, and capable of exalting a nation to the greatest degree of happiness and prosperity. With a few observations upon that subject, it is proposed to conclude the present Chapter.

*Public Debts  
in general.*

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#### IV. Plan of establishing the Funding System on the most beneficial Principles for a Nation.

When a nation resolves to defray its extraordinary expences, by borrowing money, it ought to set out upon certain fixed and unalterable principles, confirmed in the most solemn manner by the whole legislature, and from which it ought never to depart.

1. The first principle that the public ought to establish, is, never to become bound to pay an *iota* more, than the specific principal sum which it originally borrowed. Adding an artificial to a real capital, or pledging the public to pay a hundred pounds, when perhaps only fifty or sixty were received, is the most pernicious of all financial operations;

the Debts  
General.

rations ; and any minister that proposed such a plan in Parliament, ought to be made liable to impeachment. It will probably be alleged, that it may be found impossible to borrow money, without giving the creditor that usurious advantage. That objection, however, ought not to be regarded. For when the money-lender knows, that every other plan is contrary to an established law, which cannot safely be infringed, his ideas will be regulated accordingly, and the difference will be made up by premiums, or, in the language of the Alley, by an additional *bonus* or *douceur*, on principles less pernicious to the public. Indeed, if money cannot be borrowed in such a manner, it is a sign, either that the minister is deservedly unpopular, or that the war is unnecessary, and consequently ought not to be persevered in.

This rule, if invariably adhered to, will secure

*cent.* for money that was originally borrowed at eight; and where artificial capitals do not obstruct such a measure, a nation can always borrow, in time of peace, at a cheaper rate, than in time of war, and thus the weight of its debts may be perpetually diminished<sup>1</sup>.

*Public Debts  
in general.*

3. A State determined to carry on its wars, by the funding system, ought never to borrow money upon any other principle, than that of perpetual annuities. All long and short annuities, and annuities for lives, whether by tontine or otherwise, ought to be avoided. They breed confusion in the public accounts; they occasion a great additional expence for management; and the money that is borrowed, is procured upon terms infinitely more disadvantageous to the public. Whether, in time of peace, some money might not be raised, in a favourable manner, upon life annuities, is questionable; but, there can be no doubt, that, in time of war, it is impossible for the public, to make any tolerable bargain with money-lenders, founded on any uncertain contingency.

<sup>1</sup> It is well known, that the interest of money is perpetually decreasing, with the increasing wealth and commerce of a country, and of that circumstance the public is particularly able to avail itself: For when it regularly and punctually pays the interest of its debts, it can always borrow in time of peace, on better terms than private individuals, on account of the greater ease and certainty with which the interest of its annuities are received, particularly by those who reside in the capital.

It is also proper to remark, that diminishing the interest is not sufficient. It is also necessary to lessen the capital, by reasonable and well-conducted operations.

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when our debts were origi  
particularly if those sums had  
invariably appropriated, and  
pound interest, which were  
public purposes of less gene  
derable share of our present i  
would have been long since c

Lastly, peculiar checks, an  
ought to be contrived, to pre  
money that is borrowed<sup>a</sup>. I  
funding system; the fraudulent  
ful profusion of those who at  
guardianship of the public p  
confusion and distress in the fi

<sup>a</sup> The best check undoubtedly wou  
to be paid to parliamentary commissio  
cient practice in this country. Suc  
have the whole charge of borrowing  
The consequences of trusting such p  
always be attended with great hazard

Pinto asserts, that the English might have done as much, during all their wars, with one third less expence°. This is undoubtedly exaggerated. But no one can possibly deny, that if effectual steps had been taken at the Revolution, to check public frauds, and if the same measures had ever since been persevered in, a considerable portion of our public debts would have been prevented.

*Public Debts  
in general.*

*Conclusion.*

These are the principles on which public debts may, in general, be safely contracted, and which, if steadily adhered to, would always prevent the funding system, from becoming burdensome, or ruinous to a State. Nor ought the investigation of such a subject to be accounted useless to this country. For though our principal object, at this time, ought to be, how to overcome the difficulties in which we are involved from past misconduct, yet an invariable plan of borrowing money for public services, in time to come, should be formed without delay; and indeed our present incumbrances ought, if possible, to be reduced within the bounds of such permanent regulations, as the abilities of our statesmen, and the wisdom of our legislature, may deem most conducive to the interest of the community<sup>p</sup>.

° Essay on Credit, p. 107.

<sup>p</sup> These observations, regarding the funding system in general, and the establishment of an unalienable sinking fund in particular, were originally contained in the first Edition of this work, printed *anno* 1785, and the reader will at once perceive, that it contains those identical principles, from the promulga-  
tion



prior to the  
Revolution.

**I**n the public debts, or a na-  
to a monarchical form  
considered in two different  
as the personal debts of the  
cumbrances on the commu-

A modern continental au-  
guet,) contends, that in a  
like France, the reigning p-  
rary interest in the revenues  
sequently, that it would be  
humane, but even a legal c

---

tion of which, Mr. William Pitt,  
rive such exclusive celebrity, as i  
him. The fact is, that it is no nev  
has, at various times, been explain  
thors; Mr. Pitt's merit consists in  
nister, who procured the sanction  
of a sinking fund, which however i  
ter than any preceding one; but f  
understood, that no man could hav  
country, at that time, without mal

the public debt at the commencement of every reign. But in England, where a limited monarchy exists, and where the money is borrowed by the representatives of the people, he thinks that the whole kingdom stands pledged for the security of the contract, and that such a measure would be a disgraceful and criminal bankruptcy.

*Public Debts  
prior to the  
Revolution.*

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It is impossible to perceive, either the justice of the distinction stated, or the benefit that would result from it, to an absolute government.

As to the justice of the measure that is proposed, it is evident, that the money is borrowed, in both cases, by the legal sovereign, and is supposed to be expended for the public uses of the State; and whether the sovereign that enters into such pecuniary engagements, is a despotic monarch, or consists of many individuals, does not seem to be material.

With regard to the advantage of such a distinction, it would soon appear how unserviceable it must prove. The credit of an absolute monarch, who could only give security to his creditors, during his own life, would be necessarily unproductive and insignificant. Indeed such a principle would be equivalent to the establishment of a perpetual inability of borrowing money, even in the most pressing emergency, except on terms the most usurious and destructive.

But the reader will be better enabled, to form an opinion on this curious subject of political speculation, from examining the history of our public debts

so great, that parliament was  
aid to assist him in paying  
niary distresses, however, in c  
and extravagance, were perpe  
he in vain endeavoured to re  
ing the jewels of the crown,  
other regal ornaments; na  
Edward, though at that time  
veneration. Indeed, we are  
Paris, that he owed so much  
people, for the very necessar  
hardly appear in public for  
creditors. And other histori  
publicly declaring, that such  
that it was more charitable to  
any beggar at the door<sup>b</sup>.

Edward I.

Henry died considerably in  
ward I. was induced, either fr  
his own disposition, or from  
which prevailed at that time,

deceased remained in purgatory, until all his debts were paid, to make great exertions in order to discharge them<sup>c</sup>. And those incumbrances, which the many wars he was engaged in, rendered it necessary for him to incur<sup>d</sup>, he was always anxious to pay off, as speedily as his narrow revenue, and small resources, would permit.

*Public Debts  
prior to the  
Revolution.*

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It appears that Edward II. imitated his father's example, in resolving to discharge the debts of his predecessor; for in the third year of his reign, writs were issued to the collectors of the customs, requiring them to pay certain vast sums of money to his father's creditors, out of the said customs, and £. 100,000 besides, for the loss and damage they had sustained, in consequence of the late and slow payment of the money that was due to them<sup>e</sup>.

Edward II.

The various military expeditions carried on by Edward III. necessarily involved him in the greatest difficulties. It is stated in the very writ by which a parliament was summoned in the fourteenth year of his reign, that he had borrowed so much money abroad, upon his *personal security*, that if the sums for which he stood engaged were not all paid, he was obliged, in his own proper person, to return to Brussels, and to remain there, as a pledge to his creditors. Compulsive loans were not unusual during

Edward III.

Anno 1340.

<sup>c</sup> In the words of the record, "ad exonerationem animæ Henrici regis, patris nostri."

<sup>d</sup> See Turner's case of the bankers and their creditors, p. 37.

<sup>e</sup> Case of the bankers, p. 20.

his

...they declared, th  
be a strong encouragement  
to lend him money on an  
emergency. The answer  
gracious; the King declar  
been in a good measure al  
the remainder should be c  
petition\*.

It was in the reign of th  
attempt was made, to raise  
of Parliament. A plan hac  
ing France with a formidab  
the poverty of the exchequ  
was found impracticable to  
rowing money for that purpo  
fore, had consulted with the  
London, and of other wealt  
But so many of them had suf  
by former loans, that they r  
siderable sum of money v

Parliament. In order to procure the sanction of that assembly, a Parliament was summoned, and when the commons demanded what sum was necessary to defray the charges of the intended expedition, they were answered *sixty thousand pounds*: even that small sum could not be procured. The nobility pretended that they had no money; but they were willing to serve the King personally in the war. The merchants, on the other hand, refused to supply the King's wants, unless they received the most indisputable security, and unless the nobility, clergy, and gentry would furnish him with a considerable sum without interest. After an ineffectual attempt to raise the money, by granting foreign merchants the liberty of trafficking in England on easy terms, the King was unwillingly compelled to give up the first enterprise he had attempted, for the want of that inconsiderable supply <sup>a</sup>.

*Public Debts  
prior to the  
Revolution.*

Anno 1382.

Among the articles for which Richard II. was deposed, his having extorted money, under the pretence of borrowing, which was never repaid, is particularly insisted upon <sup>b</sup>. It is no wonder therefore, that his successor should be anxious to avoid following his example in that particular. Accordingly we find, that in the sixth year of his reign, when the commons prayed, that all tallies given by his Majesty for Money lent to him by his subjects,

Henry IV.

<sup>a</sup> Rot. Parl. vol. iii. p. 122, 123. Parl. Hist. vol. i. p. 394, 395.

<sup>b</sup> Rot. Parl. vol. iii. p. 419.

*might be satisfied, according to the true purport of the said securities, notwithstanding any change made in the ministers of State, or officers of the exchequer, the King answered, that good payment shall be forthwith made of the said debts<sup>2</sup>.*

17. This gallant monarch, did not purchase his laurels in France, without oppressing his people, and involving himself in the greatest pecuniary difficulties. In the fourth year of his short, but brilliant reign, his wants became particularly pressing; and a Parliament having been called for their relief, a subsidy of two tenths and two fifteenths, (about £.60,000<sup>3</sup>), was granted by the laity; and two tenths from the clergy. But, as there was reason to apprehend, that the money would come in too slowly for the purposes of the crown, it was proposed, that such as were willing to lend money to the King, should have letters patent to be paid out of the first produce of the subsidy that was

<sup>2</sup> 1416.

was obliged to pawn the crown, and the royal jewels, to make up the deficiency<sup>m</sup>. Another subsidy, amounting to about £.38,000, was granted in the seventh year of his reign; the produce of a part of which, the King found means to anticipate with some difficulty<sup>n</sup>. On the whole, it appears, that Henry was not only ill-supported by the grants of his English subjects, but also found the utmost difficulty, in borrowing money, on the security of the subsidies which he received. Whereas, had the funding system existed in his reign, and had wealthy individuals the full assurance, that their money would be repaid, or an adequate interest allowed for it, *even though the King should die*; it is more than probable, that he would have completed the conquest of France before he died. Whether that would have proved of advantage to this country, or otherwise, is a very different question.

*Public Debts  
prior to the  
Revolution.*

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During the reign of this weak and unfortunate monarch, the debts of the crown were often brought under the consideration of Parliament. Soon after his accession, letters patent granted to the bishop of Winchester, entitling him to receive twenty thousand pounds, out of the first money arising from the customs, and other revenues of the crown, were confirmed by an act of the legislature; and the council were empowered, by different votes of cre-

Henry VI.

Anno 1425.

<sup>m</sup> Rot. Parl. vol. iv. p. 95. Parl. Hist. vol. ii. p. 155.

<sup>n</sup> Rot. Parl. vol. iv. p. 117



cuniary difficulties in which  
joined to the shameful losses  
which had been acquired  
Continent, were the great  
which afterwards took  
house of York.

Henry VII.

We are told by lord I  
Henry VII. that he often  
subjects, but punctually paid  
became due. It was a course  
rather to borrow too soon,  
sums he had in loan, at the  
his reign, were very inconvenient.  
could only procure two thousand,  
wards only four thousand, for  
But in order to keep up his  
anxious to repay such inconvenient  
public is at present about  
millions which it owes<sup>1</sup>.

<sup>1</sup> Parl. Hist. vol. ii. p. 100. 21.

In the preceding part of this work, some account was given of this monarch's compulsive loans, and other tyrannical exactions; and of the acts that were passed, by which the debts he had incurred were discharged. The first statute that was passed for that purpose, is not included in our printed acts of Parliament, but may be seen in Burner's History of the Reformation\*. The grounds which are stated in the preamble to the bill, as the causes of its being enacted, are truly infamous. It is there declared, "That though divers of his subjects had lent his majesty great sums of money, *which had been all well employed in the public service, and for the payment of which, the lenders had his security;*" yet, in consideration of the great things that the King had done for the church and nation, which had involved him in great expences, the Parliament offered him all the money he had thus received in loan; discharged him of the obligations he had come under; and of all suits that might arise thereupon†. Another act of a familiar nature, was passed in the 35th year of his reign‡. Fortunately the statute book, cannot produce another example, of such despotic, arbitrary, and disgraceful proceedings.

During the reign of Edward VI. it became an usual practice, to borrow money on the Continent; and it appears that he was indebted to banks and to individuals abroad, in the sum of £.132,372 : 10,

*Public Debts  
prior to the  
Revolution*

Henry VIII.

Edward VI.

\* See Part i. chap. 8.

† Vol. i. Appendix, No. 31.

‡ Parl. Hist. vol. iii. p. 65.

§ Cap. 12.

To th' Admiraltie -  
 To th' Ordnance  
 To the Surveyer of the Wor  
 To *Calley* -  
 To *Barwyck* -  
 To the Revells -  
 To *Silly and Alderney*  
 To *Ireland* -  
 To *Winter*, for his Voyage to  
 To *Barthilmerwe Campagni*  
     Merchant)  
 To *Portsmouth* and the Isle of  
 To the Men of Armes  
 To the Lieutenant of the Tow

The reader will natura  
 difference, between the su  
 of the Navy and the Ordn  
 and outstanding or unfund  
 times, have been incorrec  
 ments.

Mary.

Mary began her blood

granted by Parliament to her brother Edward VI. for the purpose of paying his debts. The money had not been raised when she came to the throne; and by the advice of the artful Gardner, she remitted the subsidy, with a view of ingratiating herself with the people, and of rendering a Popish Prince more acceptable to her Protestant subjects. But, short as her reign was, she was reduced to such pecuniary difficulties, as to be obliged to borrow small sums, even so low as ten pounds, according to people's abilities. It is proper however to mention, that when she found it was unlikely, that she should live long enough, to obtain any aid from Parliament, to pay off the debts she had contracted, she made it one of her last requests to her sister, to see them satisfied \*.

*Public Debts  
prior to the  
Revolution.*

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The conduct of Elizabeth, in regard to public debts, cannot be better described, than in the words made use of by Sir Walter Mildmay, Chancellor of the Exchequer, on a motion for granting a subsidy to that Princess, in the Parliament held *anno* 1575:

“ Notwithstanding all these expences, (alluding  
“ to the charges in Scotland, Ireland, and in other  
“ wars,) her Majesty hath most carefully and pro-  
“ videntially delivered this kingdom, from a great  
“ and weighty debt, wherewith it hath been long  
“ burthened; a debt begun four years, at least,

\* Parl. Hist. vol. iii. p. 288. 343. 357.

of London, whole  
“ seal of the city, whi  
“ years to their great d  
“ their whole traffick,  
“ cancelled, and delive  
“ London, to their own  
“ of, the realm is not o  
“ burden, and the merch  
“ jesty's credit thereby,  
“ greater than any other  
“ have need. And so in r  
“ she hath kept promise  
“ Princes have often fa  
“ many.”

It is to be remarked, t  
her sister Mary, were so  
better satisfaction of the  
their domains. Even v  
curity, Mary could not i  
London, the small sum of  
*cent*².

James was hardly seated on the throne of England, before he found himself, in consequence of his own profusion, and the rapacity of his courtiers, involved in the greatest pecuniary difficulties. It was stated in Parliament, that Elizabeth had died in debt, to the amount of £.400,000. But it appears, that she left subsidies due to her amounting to £.350,000, which her successor actually received, and which consequently ought to have been deducted <sup>a</sup>. A state of the King's debts, was reported to the House, 11th March 1622; but the journals are so defective, that it is impossible now to discover the particulars. During this Monarch's reign, it should seem, that the system of mortgaging grants, and anticipating their produce, was perfectly well known. For in the Parliament, held *anno* 1624, the famous duke of Buckingham, moved in the House of Lords, "That a meeting might be instantly prayed with the Commons, to propose to them, that certain monied men might be dealt with, to disburse such a sum as was requisite for the present use; the repayment of which, to be secured by parliament, out of the subsidies intended in the grant, according to what has been heretofore done in the like cases: concluding, that he doubted not, that some would be found to disburse the same, upon that security <sup>b</sup>."

The debts that were left by James I. upon his successor, amounted to about £.360,000 without

<sup>a</sup> Parl. Hist. vol. v. p. 147. 219.

<sup>b</sup> Ibid. vol. vi. p. 120.

including

*Public Debts  
prior to the  
Revolution.*

James I.

Charles I.

crumbs of his crown, and his prerogative on his part have exerted themselves happy and respectable exertions of Elizabeth, who to maintain, when put and less able sovereigns, temptible favourites, could. This is a subject, however stated, at considerable length of this work.

Charles II.

From the commencement of the restoration, nothing new to public debts. But, now seated upon the throne, he had to take into consideration the army and navy, which the Commons seemed anxious to get off without delay, but at dangerous consequences that not even the remnant of a royal

One member in particular declared, that the incumbrances of the nation, would be found to resemble the serpent in America, that could devour an ox at a meal, and then falling asleep, might easily be destroyed; but unless his bones were broken to pieces, he grew again as big as before. In the same manner, the debts of the nation, though partially diminished, would again increase, whilst a vestige of them remained: and he recommended to the House, to pay off such incumbrances, by one bold effort; and not to imitate the foolish woman in the fable, who roasted a hen with a faggot, stick by stick, until the faggot was all spent, and the hen still continued as raw as ever. Much good sense is couched under these odd allusions<sup>d</sup>.

*Public Debt  
prior to the  
Revolution.*

But, however anxious the Commons were, *to break the bones of the serpent*, yet the system of contracting temporary debts, by anticipating the produce of the grants of parliament, was frequently practised during this Monarch's reign, and met with every possible countenance from the legislature.

Indeed, so far was a clause of credit from being invented, (as some suppose to be the case), posterior to the Revolution, that it was usual, during the greater part of this Monarch's reign, to insert a clause in the act, empowering the officers of the Exchequer, to borrow money from all persons, whether natives or foreigners, upon the security of

<sup>d</sup> Parl. Hist. vol. xxiii, p. 11.



28 June  
1667.

-- great use and advantage  
"cerned in them, and  
dom." Notwithstanding  
lousy prevailed, when the  
place, that some stop v  
ments at the exchequer  
proclamation, to dissipat  
and not only declared, t  
ruption should be made  
already granted. but also  
same resolution should be  
all future assignments \*.

Here, it may be prop  
of a transaction, which  
heavy burdens under wh  
which will for ever stamp  
II. with the most indelible

Shutting up  
the exche-  
quer.

The credit of the crown  
acts of parliament, and

\* See also Address from the

mentioned, was carried to a very considerable height; and the bankers, and other wealthy individuals, had made it a common practice, to advance money to the exchequer, upon the security of the supplies voted by Parliament; and they were gradually repaid, when the produce of the grants came into the treasury. The bankers, by this means, received from eight to ten *per cent.* for money which their customers had placed in their hands without interest, or which they had borrowed at the legal rate of six *per cent.* But an end was soon put to such visionary profits: for on the 2d January 1672, a proclamation was issued, suspending all payments upon assignations in the exchequer, for the space of one year, a period which was afterwards prolonged, and never came to a conclusion. The consequences of such a measure may easily be conceived. Confusion overspread the whole country. Many stopped payment, or were ruined: distrust every where prevailed; and a general stagnation of commerce took place, by which the public, was not only partially, but universally, affected<sup>a</sup>.

*Public Debts  
prior to the  
Revolution.*

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The sum of which the bankers and others were thus defrauded, amounted to £. 1,328,526; and the King, by letters patent, charged his hereditary revenue with the interest of that sum at six *per cent.* amounting to £. 79,711 11 s. 2½ d. *per annum*<sup>1</sup>,

<sup>a</sup> Hume's Hist. vol. vii p. 476. Macpherson's Hist. of Great Britain, vol. i. p. 451.

<sup>1</sup> Letter from a By-stander, p. 88. See also Carte's full answer to the By-stander, p. 91. and 145. Also a Letter to the Rev. Mr. Thomas Carte, p. 81. and 98. And Carte's full Vindication, p. 104.

which

the decision, however  
Somers, then chancellor  
ten out of the twelve judges  
to his assistance, were of  
cause was at last carried by  
Lords, by whom the decision  
reversed; and the patentee  
received the annual interest  
on the letters patent, had not  
by which, in lieu thereof,  
the 25th December 1705  
of excise, should stand  
payment of three *per centum*  
contained in the said letters  
patent, to be redeemed by  
moiety thereof, or £. 664

The reader will naturally  
be curious to know  
the amount of the loss which  
in consequence of this transaction  
of such proceedings upon  
and of the public.

by the interposition of the legislature, was as follows<sup>1</sup>:

*Public Debts  
prior to the  
Revolution.*

|  |   |              |
|--|---|--------------|
| 1. To the original sum stopped in the exchequer, <i>anno</i> 1672, | - | £. 1,328,526 |
| 2. To 25 years interest, at six <i>per cent.</i> (about)           |   | 2,100,000    |
|  |   | <hr/>        |
| Total, principal and interest                                      | - | £. 3,428,526 |

As by the act above mentioned, their whole demand was reduced to the sum of £. 664,263 it is evident, that the loss they sustained, must have been about £. 2,800,000.

With regard to the consequences of these transactions, we are told, that, notwithstanding so violent a breach of the public faith, Charles was able, two years after he had shut up the exchequer, to borrow money at eight *per cent.*<sup>m</sup>, the same rate of interest which he had paid before that event; and Hume from thence takes an opportunity of remarking, "That public credit, instead of being of "so delicate a nature as we are apt to imagine, is "in reality so hardy and robust, that it is very difficult to destroy it". But the events at the time, were far from justifying this position. In a tract written *anno* 1693, (attributed to the Marquis of Halifax), wherein, among other modes of raising money, he takes into consideration, that of borrowing upon perpetual funds, it is observed,

<sup>1</sup> See a Modest Vindication of the Memory of King Charles II. in relation to the Stop at the Exchequer.

<sup>m</sup> Danby's Memoirs, p. 65.

<sup>n</sup> Hume's Hist. vol. viii. p. 226.

" That

## HISTORY OF THE PUBLIC REVENUE Part II.

Debts  
the  
tion.

“ That the breach of the exchequer credit by  
“ King Charles, will make men very shy of parting  
“ with their money, upon new projects at a dis-  
“ tance ;” and indeed, the great difficulty that  
was found, in procuring money after the Revolu-  
tion, and the high interest that was paid for it, was  
in a great measure owing, to the fatal step taken  
*anno* 1672, which rendered men cautious in again  
confiding any considerable sum to government,  
unless they were tempted, by exorbitant profit, and  
usurious advantages.

nt of  
blic  
the  
tion.

It was the more necessary to give an historical  
account of this transaction, because the above  
principal sum of £. 664,263 composes a part of  
the present national debt of this country, and in-  
deed is the only portion of it that was contracted  
before the Revolution<sup>p</sup>. There was, it is true, a  
small sum, (about £. 60,000), due to the servants of

November 1688, an arrear of £. 300,000 due to the army, and about £. 280,000 of the revenues of the crown had been anticipated. But the money that was found in the exchequer, and the sums which were in the hands of the different receivers and collectors of the revenue, fully compensated these demands\*. As to the interest of the sum above stated, it was originally at 6 *per cent.* and consequently amounted to £. 39,855 17 s. 7 d. *per annum*; but as the bankers' debt was incorporated by 3 George I. cap. 7. into the general fund, at 5 *per cent.* and was afterwards subscribed, in consequence of 6 George I. cap. 4. into the South Sea stock, which now bears only 3 *per cent.* interest, £. 664,263 of principal, and £. 19,927 18s. 9½d. of interest, is the whole of our present debt, contracted prior to the Revolution.

Such are the most material transactions which took place with regard to public debts, during the period of 450 years prior to the Revolution: from an attentive consideration of which, and of the circumstances stated in the ensuing chapter, the reader will be enabled to determine, whether it is most to be regretted, that the funding system ever took place, or that it was not sooner adopted. Had it existed at an earlier *Æra*, a successful conqueror, like Henry V. would never have been impeded in his progress, by the want of a few thou-

\* History of our National Debts and Taxes, p. 7.

the Debts to the lution.   
 — stand pounds, which seems to have been his unfortunate case. Whereas, on the other hand, had no money ever been borrowed, were we now free from the burden of those taxes, which have been imposed, to provide for the interest of our present national incumbrances, the situation of this country, at this time, in point of finance at least, would have been truly happy and desirable.

#### CHAP. IV.

##### *Of the Rise and Progress of our present National Debts.*

and  
refs of  
present  
onal  
s. **T**HE principal political objects which our statesmen seem to have had in view, from the Æra of the Revolution, to the present Time, were : First,

tion now groans. Other causes of less moment may indeed have occasionally contributed to increase them: but upon the whole, it will hardly be denied, that our present national debts owe their origin, and the greater part of their amount, to the necessity we have been under, either to oppose the arms, or to guard against the political intrigues of the government of France, for above a century past.

*Rise and  
Progress of  
our present  
National  
Debts.*

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The power that France had attained, and which rendered such exertions necessary, is in a great measure to be attributed, to the wretched policy, which has too often prevailed in the councils of this country. It began under the government of Cromwell, who, flattered by the artful Mazarine, and expecting to secure acquisitions, either on the Continent, or in America, that would give lustre to his usurped administration, was induced to join his arms with France, against the weakened and degenerate monarchy of Spain; and by his additional weight, not only elevated the house of Bourbon, on the ruins of that of Austria, but also compelled the Spaniards to give their Infanta to Lewis XIV. and thus enforced an alliance, which has since been productive of so many fatal consequences.

Unfortunately also, the restoration of the royal family, did not correct this mistake in politics. During their long residence abroad, they had imbibed foreign manners and foreign principles, and felt little of the natural, and perhaps useful, prejudices of an Englishman. Charles, dissatisfied



...the substance, to the  
parliament in vain re-  
a war with France; and  
held forth, that could  
tious sovereign, panti  
prince, who wished to  
of his people. Alive  
of the feelings of pat  
nourable fame, he suffe  
which, had it been  
dered all farther exertio  
of France, within rea  
Instead of this, a pea  
guen, not only highly  
but which also furnishe  
preparing for fresh wa

When James II. su  
expectations were at fi  
different part. He h  
English sovereign thar

clined him to aspire at being an independent monarch<sup>b</sup>; nor did he relish the superiority which Lewis affected over the other powers of Europe. But unfortunately he was a bigotted, Roman Catholic, and his subjects had every reason to apprehend, that their sovereign was resolved to deprive them of their civil and of their religious rights and privileges. The Dutch, and the other nations in Europe, were at the same time sensible, that while James continued upon the throne of England, they could not depend upon his aid, to preserve them from being swallowed up by France; and the consequence was, a general combination, both at home and abroad, to put an end to the reign of a prince, whose conduct was so likely to prove fatal to his own subjects, and to Europe in general.

This leads us to the accession of a Monarch, who rescued this country from civil, religious, and political bondage; under whose government, however, our present financial burdens, at least to any great extent, had their commencement.

<sup>b</sup> Though he wished to be absolute, yet he was desirous of acquiring unbounded authority, without foreign assistance. Macpherson's History of Great Britain, vol. i. p. 513. His ambassadors told the States, that he was too powerful a prince, to put himself under the protection of France, and that he had too much spirit, as well as too high a birth, to be treated like the Cardinal of Furstenburg. Ibid. p. 511.

Causes of  
our public  
debts at the  
Revolution.

... concurred,  
lic debt almost  
with France was  
so opposite to th  
terests, of that  
The revenues  
dently inadequate  
so critical an em  
safely be increas  
tomed to heavy  
that no nation ev  
berty, without pay  
afford. Not man  
when the royal fam  
liament had passed,  
revenue of the ci  
£. 1,200,000 a yea  
sum appear, that the  
for that purpose, unt  
rent additions, howe  
been raised to

nue, as a strong motive for a change in the government, it became necessary, when the Revolution was accomplished, to gratify the people, with the abolition of the productive duty of hearth-money, which happened to be particularly obnoxious.

*Rise and  
Progress of  
our present  
National  
Debts.*

The revenue, at that period, was not only small in itself, but also, in consequence of the calamities with which wars are always accompanied, it was perpetually diminishing. Tunnage and poundage, which, during the reign of James, had produced £. 600,000 a year, fell, *anno* 1693, to £. 286,687. The other branches proportionably decreased, insomuch that the very same taxes, which, before the Revolution, had yielded £. 2,001,855 clear of all charges<sup>c</sup>; in the year 1693, had fallen to £. 1,104,115; and in the year 1695, to £. 811,949<sup>d</sup>; in which sums, however, no allowance is made for the abolition of hearth-money. Some additional customs and excise had been added, but as they only amounted to £. 466,203 the whole revenue, *anno* 1693, did not exceed £. 1,570,318. It is easy to perceive, how much such a circumstance

<sup>c</sup> Davenant's Works, vol. i. p. 233. But in this sum was included the duty of hearth-money, which yielded £. 245,000 *per annum*, and which was abolished before the year 1693. The decrease in the revenue, however, was still very great, amounting, *anno* 1693, to £. 652,740, and *anno* 1695, to £. 944,906.

<sup>d</sup> *Ibid.* vol. i. p. 20, 21. In Whitworth's edition, from some mistake, hearth-money is charged in the account 1693, though it had been previously abolished. Perhaps it might be some arrears.

fects are much th  
be more confined,  
a spirit prevailed  
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"the principal officers of the revenue are frequently made a prey of, to each party, as they happen to be victorious\*." This respectable author, as a proof of the justice of this observation, mentions, that in consequence of a sudden and improvident change in the commission of excise, the revenue had suffered, in that single branch, no less a decrease than £. 256,000 a year<sup>f</sup>.

*Rise and  
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In every factious country, public frauds will abound. Those who get into power, are afraid that they shall not long continue in the management of affairs, and therefore anxiously embrace every opportunity of enriching themselves, at the expence of the public; trusting either to evade discovery, or to escape the punishment they deserve, through the strength and interest of their party. The abuses and fraudulent practices which took place in the various public offices, during the reign of William, were very great. Some frauds were brought to light<sup>g</sup>; and commissioners of accounts

\* Davenant's Works, vol. i. p. 180.

<sup>f</sup> Ibid. p. 184.

<sup>g</sup> One fraud that was discovered *anno* 1697, though clearly proved, and of an enormous nature, passed unpunished. Exchequer bills, when first issued, were not entitled to any interest; but when paid in, on account of any tax, they received upon the second issue (if indorsed by the proper officer), an interest of £. 5 12 s. *per annum*. This encouraged several of the officers of the excise and customs, to contrive together to get great sums of money by false indorsements, before such exchequer bills had been circulated. Many officers had enriched themselves by this fraud, and the receiver general of excise, in particular, had amassed a fortune of £. 400,000. A bill passed the

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persons guilty also escaped.

It also appears, that man  
interest for considerable sum  
was no occasion to raise the  
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into the exchequer. See an  
House of Peers, in regard to  
1702, p. 38.

with the most unfortunate consequences. The landed interest endeavoured to throw off the burden of the State from their own shoulders; and procured an instruction to the committee of supply, that no money should be raised upon land, without the special leave of the house<sup>1</sup>. Even when a land-tax was established at the rate of four shillings in the pound, instead of three millions a year, which it ought to have produced, it only yielded two<sup>2</sup>; and every plan that was proposed in Parliament, for the general benefit, was rendered abortive. A bill had passed the House of Commons, for raising a million upon the credit of the forfeited estates in Ireland; but it was dropped in the House of Lords; many of the leading members in that branch of the legislature, trusting that they should procure these estates for nothing, if they remained at the disposal of the crown. The Commons also came to a vote, "That the salaries, fees, Jan. 19, 1692.  
"and perquisites of all offices under the crown,  
" (leaving £.500 *per annum* to each respective officer), except the salaries of the judges, &c. and  
"also all pensions granted by the crown (with  
"some exceptions), should be applied towards  
"carrying on a vigorous war against France."  
But such effectual measures were taken, by those who would have suffered by such a resolution, that a bill was not even suffered to be brought in<sup>3</sup>.

<sup>1</sup> History of our National Debts, p. 14.

<sup>2</sup> Davenant, vol. i. p. 53.

<sup>3</sup> History of our National Debts, p. 20.



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<sup>o</sup> Davenant, vol. i. p. 438.

<sup>p</sup> Davenant, p. 441. says  
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charges than it had ever been accustomed to before.

*Rise and  
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The expences of the Revolution itself were not inconsiderable. To the Dutch alone were voted £. 600,000 for the armament they had fitted out, in order to bring about that event. The reduction of Ireland was attended with great charges: nor were the partizans of the dethroned Monarch driven from Scotland, without some bloodshed and expence. The money that was thus required to place William upon the throne of the three kingdoms, would have fully defrayed the charges of at least one, if not of two, campaigns. Had James II. therefore been a monarch who could have been trusted, and who would have cordially assisted in the accomplishment of so great a work, the balance of Europe might have been restored, without greater pecuniary exertions than England could easily have afforded: but our strength was unfortunately at first employed, rather in settling our own government, than in humbling the power of France.

Another great and unforeseen expence, to which the nation was put at that time, was in order to remedy the disorder into which the coin had fallen, and which was likely to be attended with the most fatal consequences to the commerce, industry, and revenue of the country. This great operation was obliged to be undertaken, in the midst of an expensive and dangerous war, and was successfully carried through by Montagu, then chancellor of the

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the exchequer, afterwards created Lord Halifax; but the disorder had proceeded to such a height, that the deficiency on the recoinage cost the nation the enormous sum of £. 2,415,140 : 16 : 10.

Nor was the reducing the power of France an easy atchievement. Sir James Stuart is of opinion, that it was an enterprize far beyond the strength of England to carry through at that time, though assisted by the greatest part of Europe. That it was not beyond the power of England, appeared sufficiently evident during the reign of Queen Anne, though Spain, instead of being a friend, was under the dominion of the enemy. It must be acknowledged, however, that the enterprize, when it was undertaken by William, was attended with the greatest difficulties. France was then at the very zenith of its power. Lewis had the good fortune to be surrounded with the ablest generals and statef-

Dutch, on the whole, were not deficient ; but little assistance was received from Spain, notwithstanding the great riches that country was possessed of ; and the Emperor, who was the person most interested in the war, was the least serviceable of the whole confederacy, and employed his arms, more in oppressing his own subjects in Hungary, than in maintaining the rights of his family, or defending the liberties of Europe †.

*Rise and  
Progress of  
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National  
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Whoever considers, therefore, the state of our revenue, the magnitude of our expences, and the various circumstances, both foreign and domestic, above enumerated, must clearly perceive, that contracting a public debt, was a matter not of choice, but of necessity. Yet Bolingbroke, Swift, and after them other writers of the same party, have contended, that it was done with a view of securing the additional support of wealthy individuals, to the government that was established". Nay, we are told, that the supplies might have been raised within the year, that a scheme to that effect was prepared and offered, and that it was allowed to be practicable ; but that it was rejected, because the new government could not be so effectually secured, in any other way, as by making the private fortunes of great numbers of people depend upon the preservation of it. " Thus (says Bolingbroke), the me-

† Davenant, vol. i. p. 14.

" See Bolingbroke's Works, edit. 1773, vol. iv. p. 129. Swift's History of the four last Years of the Queen, p. 159. History of our National Debts, p. 17.

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“ thod of funding, and the trade of stock-jobbing  
 “ began; and great companies were created, the  
 “ pretended servants, though in many respects the  
 — “ real masters, of every administration.” But a  
 policy of that nature, the consequences of which it  
 was impossible to foresee, none but desperate minis-  
 ters would have attempted; and when borrowing  
 money was first tried, it never was imagined that  
 the war would have lasted so long, or would have  
 proved so expensive.

Others have insinuated, that the nation was in-  
 volved in debts and difficulties, in order that our  
 trade might be loaded with heavy taxes, and the  
 Dutch the better enabled to rival us in commerce  
 and manufactures\*. But though the King was a  
 Dutchman, and though his principal friends and  
 favourites were of that nation, yet he seems ever  
 to have maintained such a degree of impartiality

“ (says Swift) in a commonwealth, so crazily constituted as Holland, where the governors cannot have too many pledges of their subjects fidelity, and where a great majority must inevitably be undone by any revolution, however brought about; but, to prescribe the same rules to a monarchy, whose wealth ariseth from the rents and improvement of lands, as well as trade and manufactures, is the mark of a cramped and confined understanding.” As William’s understanding was confessedly entitled to a different description, it is the less necessary to trouble the reader with any answer to so groundless an allegation.

*Rise and Progress of our present National Debts.*

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Let us next see what were the modes of borrowing money, adopted in the reign of William III.

At first, the practice, so usual in the time of Charles II. was adhered to, and the produce of the grants voted by Parliament was anticipated, without establishing a fund, for the purpose of paying a certain annual interest to the holders of the mortgage\*.

*Modes of borrowing.*

But recourse was soon had to temporary annuities: for *anno* 1692, an attempt was made to borrow a million upon annuities for 99 years, for which 10 *per cent.* was to be given, until the 24th of June 1700; and 7 *per cent.* afterwards, with the benefit of survivorship, for the lives of the no-

*Temporary annuities.*

\* History of the four last Years of the Queen, p. 159.

† History of our National Debts, p. 10.

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minees of those who contributed <sup>a</sup>. So low, however, was the credit of government at that time, that, even on these terms, only £.881,493 : 12 : 2 could be procured <sup>b</sup>. Anno 1693, a million was raised upon short annuities; and every subscriber received 14 *per cent.* for sixteen years, with the additional benefits of a lottery <sup>c</sup>. So advantageous an offer, it is hardly necessary to observe, was eagerly grasped at.

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Some money was also borrowed, during this reign, upon annuities for lives; and 14 *per cent.* was granted for one life, 12 *per cent.* for two lives, and 10 *per cent.* for three <sup>d</sup>. Such terms were to the highest degree extravagant; particularly, as no attention was paid to difference of ages. The original amount of these annuities, anno 1694, was about £.22,800; and yet, in 1762 (sixty-eight years afterwards), they were reduced, by deaths, no

In this reign, the Bank of England, and the East India Company were established: they paid to government the sum of £. 3,200,000, for which they received an interest of 8 *per cent.*; and as the taxes imposed to defray that interest, were to remain until the principal, and all the arrears of their respective annuities, were discharged, and consequently were unlimited in their duration, this naturally paved the way for those perpetual annuities which afterwards took place.

*Rise and Progress of our present National Debt.*

Contingent annuities.

The success with which the Bank of England was attended, had encouraged some individuals to form the project of a *land bank*, with a view, not only of raising a considerable sum for the uses of government, but also of lending money on landed securities at low interest; a part of the scheme being to give £.500,000 on mortgage at £.3 : 10 *per cent.* to be paid quarterly, or 4 *per cent.*, payable half yearly; but the project did not succeed. The temptation, however, of mortgages at so easy a rate, induced the landed gentlemen to agree to the establishment of perpetual taxes, to defray the interest of the money intended to be raised<sup>f</sup>. The statutes in the year 1695-6, furnish the first example in our history of this climax of financial invention.

Perpetual annuities.

Lotteries began in this monarch's reign; and as all our evils were then attributed to Dutch counsels, the blame of Lotteries, (those banes of industry, frugality, and virtue, as they were called,) was

Lotteries.

<sup>f</sup> 7 and 8 Will. III. cap. 31.



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ascribed to an imitation of the example of Holland<sup>s</sup>, and a wish in the natives of that country, to ruin our morals, as well as to cramp our trade.

Exchequer  
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Exchequer bills furnished another mode of raising money, first adopted in the year 1697, which Montagu, when chancellor of the exchequer, had the merit of inventing. Some substitute for money was particularly necessary at that time, on account of its scarcity during the recoinage. To render these bills more convenient, some were issued for only five, others at ten pounds<sup>s</sup>; a practice which, if now revived, might be attended with useful consequences.

It now only remains, to give an account of some destructive financial operations, adopted at this time.

It has already been observed, that several life annuities were granted at 14 *per cent.* In order to raise a small additional sum upon the same funds thus mort-

with the stock of the South Sea Company; but some still remain of these annuities to the amount of £. 131,203 : 7 : 8 *per annum*, for which the sum of £. 1,836,275 : 17 : 10½ had been originally contributed; and for the use of which, the public must pay above thirteen millions before they are all extinct<sup>1</sup>.

*Rise and  
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The high rate of interest at which money was borrowed during William's reign, in consequence of the scarcity of specie, and the low state of public credit, was a fatal circumstance at the commencement of the funding system in this country. At first, attempts were made to raise money at only 6 *per cent.* interest<sup>m</sup>; but it was found necessary, the very same session, to offer 7 *per cent.*<sup>n</sup>; and, from the year 1690, during the remainder of the war, 8 *per cent.* was uniformly paid. *Anno* 1699, interest was reduced so low as 5 *per cent.* and continued at that rate until the value of money had again increased, owing to a new war becoming inevitable.

*Rate of in-  
terest.*

Davenant affirms, that the debt of the nation was swelled more by high premiums than even by the exorbitant interest that was paid<sup>o</sup>; and that its credit was at so low an ebb, that five millions, given by Parliament, produced, for the service of the war, and to the uses of the public, but little

*Premiums.*

<sup>1</sup> Price on Civil Liberty, p. 134.

<sup>m</sup> 1 Will. and Mary, sess. i. cap. 3.    <sup>n</sup> *Ibid.* cap. 13.

<sup>o</sup> Vol. i. p. 156.

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more than two millions and an half<sup>p</sup>; and it is certain that the public paid dearly, for establishing its credit on such a footing, as to enable it to procure fresh loans. By an act passed *anno* 1697, when tallies were at a very great discount, a number of deficiencies, amounting to the sum of £. 5,160,459 14 : 9½, were accumulated into what was called the first general fund or mortgage; and a variety of duties were consolidated together, in order to pay them off<sup>a</sup>. If this step had not been taken, public credit must have been destroyed; and yet, as tallies were at so high a discount, the measure was attended with very great disadvantage. It is strongly asserted, that this evil was increased by the arts of those who were in power; that it was a usual practice to put off settling a fund for any particular debt due by the public, until the shares of those who were interested as creditors. sold at a very

such a plan was not carried through, notwithstanding the many difficulties attending such an attempt, and the various obstacles which must have been surmounted<sup>\*</sup>.

*Rise and  
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our present  
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It is not proposed, to state minutely the loans of each year, or the money raised by mortgaging each different branch of the revenue: such circumstances not being interesting enough to these times, to render a particular discussion necessary, it will be sufficient, (it is hoped,) to give a general view of the money borrowed and repaid, during this monarch's reign, and a state of the national debt at his decease. Those who wish to obtain more minute and accurate information, may consult the statute book, or the authors who have professedly written on the subject<sup>†</sup>.

<sup>\*</sup> Davenant (vol. i. p. 157.) says, that it would be greatly for the public benefit, by severe penalties, to prohibit gratuities upon any loan, more than is allowed by Parliament. Such a plan, he observes, might bring difficulties at first, but in the end would augment public credit. Some regulation of that kind has become more necessary than ever, in consequence of the great discount upon our unfunded debts: the exorbitant profits attending the purchasing of which, are equally injurious to public and to private credit.

<sup>†</sup> See James Postlethwayt's *History of the Public Revenue*, 1 vol. fol. printed *anno* 1759. *History of our National Debts and Taxes*, from the Year 1688, to the Year 1751, in four parts, the last printed *anno* 1753; and Cunningham's *History of Taxes*, third edition, *anno* 1778.

# HISTORY OF THE PUBLIC REVENUE Part II.

| <i>Interest.</i> | <i>Principal.</i> | <i>Interest.</i> |
|------------------|-------------------|------------------|
| 590,165 4 10     | £. 3,864,263 0 0  | 295,855 15 7     |
| 184,635 19 3     |                   |                  |
| 78,321 14 7½     | 9,861,047 2 2     | 853,122 18 8½    |

|                    |                   |                   |
|--------------------|-------------------|-------------------|
| 161,763 10 5       | 2,669,391 19 5    | 161,963 10 5      |
| <sup>a</sup> Total | £. 16,394,702 1 7 | £. 1,310,942 4 8½ |

and 1698, amounted to about £. 17,552,000. Postlethwayt, in his statement of the public debt, and calculates none on the unfunded incumbrances due at that time.

## QUEEN ANNE.

*Rise and  
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our present  
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The situation of this country, at the accession of Queen Anne, even in the article of national incumbrances, was not greatly to be complained of. The perpetual debts which the public at that time owed, or those for which the interest only was provided, amounted but to £. 3,864,263. The temporary annuities, and other funded debts, whose nominal capital was £. 9,861,047, (with the exception of the Exchequer annuities,) were likely soon to fall of themselves, or to be extinguished by the produce of the funds appropriated for their redemption; and as for the unfunded debts (amounting to £. 2,669,392) they would probably soon have been paid off by œconomy and good management; and England might have seen itself again free from such disagreeable burdens, if another war with France had not unfortunately broken out, before sufficient time had elapsed, to heal the wounds, which former hostilities had inflicted.

Two circumstances rendered such a war, if not necessary, at least in a great measure justifiable.

By the treaty of Ryswick, William III. was acknowledged king of England; and James's interest having been abandoned by his ally, he had given up all hopes of being restored to the throne, and had devoted his time to the strictest austerities of religious enthusiasm. Whilst occupied in his usual acts of devotion, he was suddenly seized with a lethargy;

*Causes of  
the increase  
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Queen  
Anne.*

thargy; and, after languishing for some days, expired on the 6th of September 1701. Lewis was thrown off his guard by the suddenness of this event; and pity for a dethroned monarch, in so distressed and miserable a situation, led him to promise, that he should not only prove the protector of his family, but should also proclaim his son the only legal sovereign of Great Britain and Ireland, after his decease". This was an evident infraction of the treaty of Ryfwick. William therefore had recalled his ambassador at the court of France, and was making every precaution to carry on a war, when his death prevented it. His successor, however, upon her accession, was equally bound to maintain her own title to the crown, by prosecuting the same measures.

But this matter might easily have been accommodated, and the crown of England, to make use

When Lewis XIV. espoused the Infanta, he had renounced for himself and his posterity, in the fullest and amplest manner, all right and pretensions of succeeding to the throne of Spain; and, after the peace of Ryfwick, he had entered into different treaties of partition, by which the Spanish monarchy was to be shared among the different claimants, and had agreed to accept of certain territories belonging to that crown, in lieu of all his rights. The king of Spain, (Charles II.,) enraged at the proposed dismemberment, and resenting that foreign powers should interfere in the domestic concerns of his kingdom, during his own life, had nominated Philip duke of Anjou, second son of the dauphin of France, his heir; and when Charles died, Lewis, without much hesitation abandoned the treaties of partition, and accepted of a will, which put his grandson in the peaceable possession of the whole dominions of Spain, both in Europe and America.

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Such an accession of power and strength to the House of Bourbon, and so open an infraction of such solemn engagements, filled the greater part of Europe either with indignation or dismay; and an alliance was soon after formed, between the Emperor, Great Britain, and Holland, the objects of which were to secure a barrier to the Dutch; to obtain satisfaction to the Emperor for his pretensions to the Spanish succession; and sufficient security to Great Britain and Holland, for their dominions, and for the commerce and navigation of their subjects.



jects<sup>of</sup>. The treaty was concluded prior to William's decease; but his successor persevered in the plans he had entered into, as essential for the safety and prosperity of her kingdoms.

England, without doubt, was deeply interested in the original objects of the grand alliance; and they might have been attained at a very early period of the war, before much blood or treasure was expended. But these objects were considered as by far too narrow and confined, after the arms of the allies had triumphed, and the power of France was crushed by the victories of Marlborough and of Eugene. Nothing then was heard of, but the necessity of dethroning Philip, who was at that time in full and quiet possession of the whole Spanish monarchy, and of setting up his rival in his room<sup>y</sup>. A treaty for this purpose was entered into with Portugal: a formidable army was sent to Spain, the operations of which were at first successful; and

particularly as several of the allies declared, that they would never consent, that the same person should be king of Spain, and emperor of Germany.

*Rise and  
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The causes which had formerly operated, under the government of William, to swell the public debts, contributed also, in the reign of Anne, to their increase. The same fraudulent practices prevailed at home; and a greater degree of lukewarmness to the cause they were engaged in, and indeed neglect of the stipulations they had entered into, took place amongst our allies on the Continent.

The profuse manner in which public money is wasted, when great sums are borrowed upon the national faith, is perhaps the most unfortunate circumstance resulting from the funding system. Ever since the Revolution, it has in a greater or less degree prevailed. Some inquiry was made during this reign into these fraudulent practices. The Commons thought it necessary to expel one of their members; resolutions were entered into, that might deter such practices for the future<sup>a</sup>; and it was represented to her majesty, by the Commons, that there remained, at Christmas 1710, the sum of £.35,302,107 of public money unaccounted for. Though such charges were probably exaggerated, from the rage and malice of party, yet it cannot be doubted that there was too much truth in some of their allegations.

<sup>a</sup> Hist. of our Nat. Debts, p. 129.

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We are told, that the earl of Rochester, the queen's maternal uncle, had proposed in council, that England should only act as an auxiliary, and should leave the greater part of the burden upon the shoulders of those who were most interested in its success<sup>b</sup>. But the intrigues and arts of the confederates, and the ambition of the duke of Marlborough, induced us to take, at first, an active, and afterwards the principal part in carrying on the war: and whilst the Dutch were employing what forces they kept in pay, in securing a barrier for themselves, and the emperor was endeavouring to conquer the Spanish territories in Italy, the forces of England were sent to Flanders, to Germany, or to Spain, as suited best the views of the allies<sup>c</sup>. The Dutch also, no longer animated by their gallant Stadtholder, lost many opportunities, by their timidity, of bringing the war to a successful conclusion: and threw away the favourable mo-

of the spirit of a mercantile people: They wished to keep up their connexions with France, notwithstanding their war with that country; and the commons were obliged to address the queen, that her majesty would *insist* with the States-general, that the stop put to all correspondence, trade, and commerce with France or Spain, should be continued. Addresses also were sent to her majesty, that the emperor should no longer oppress his protestant subjects in Hungary; and that the allies should be desired to furnish their complete quotas, both by sea and land, according to their respective treaties<sup>f</sup>.

*Rise and  
Progress of  
our present  
National  
Debts.*

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Such are the causes which are in general assigned for the increase of our public debts, during the reign of Anne. Let us next consider the principles adopted by her ministers, in regard to borrowing money, and the amount of the national debt at her death.

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week's time,) and then of marching coastways by Dieppe and Rouen to Paris, in which attempt he might easily have been supported, and his army recruited from England. But the timidity of the Dutch, (who were afraid that the French army, in the mean time, would have penetrated into their country), prevented his attempting a plan, which would have brought the war to a speedy conclusion; and as their insolence hindered the advantageous peace proposed by France at Gertraydenburg from taking place, we had every reason to complain of their conduct, both as to making peace, and carrying on the war.—See Hist. of our Nat. Debts, part ii. p. 67. 131.

<sup>f</sup> Comm. Journ. vol. xiv. p. 240. Hist. of our Nat. Debts, part ii. p. 45. 59.

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posed in the reign of William, and borrowing upon funds thus previously established, and which otherwise would have expired. The people were thus deceived into an opinion, that with hardly any additional burden upon themselves, they were holding the balance of Europe, and acquiring immortal glory and reputation<sup>1</sup>. But this procrastinating system proved in the end fatal: a variety of unprovided debts, tallies, and deficiencies came into the market<sup>2</sup>; were sold at above 40 *per cent.* discount, and had almost ruined the credit of the country, from the immensity of the load. These debts were at last accumulated into one fund, and with the addition of £.500,000 raised for the current service of that year, amounted to £.9,471,325 the interest of which, at 6 *per cent.* came to £.568,279: 10 *per annum*<sup>3</sup>. The proprietors of this stock, having, in addition to interest they received, a monopoly granted to them, of the trade proposed to be carried on in the South Seas, thence obtained the name of the South Sea Company.

*Rise and  
Progress of  
our present  
National  
Debts.*

Anno 1710.

In this reign also, the Bank of England was permitted to increase its capital, and received a prolongation of its charter, in consideration of £.400,000 which it advanced to government without interest<sup>4</sup>. It stipulated, however, for the repayment of the principal sum, though that sum was

*Bank of  
England.*

<sup>1</sup> Swift's History of the four last years of the Queen, p. 164.

<sup>2</sup> Ibid. p. 170.

<sup>3</sup> 9 Anne, cap. 21.

<sup>4</sup> 7 Anne, cap. 5.

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The nature of the funding system, began, during this reign, to be better understood<sup>1</sup>. The advantages also of public credit, and the necessity of giving undoubted security to the creditor, were more generally acknowledged. *Perpetual annuities* became no longer an object of terror; the new taxes imposed for the security of the Bank, and the whole fund of the South Sea Company, being granted *for ever*. The public debts, however, either from the timidity of the ministers, (who were afraid of irritating the people by fresh burdens, and consequently did not provide sufficient funds in proper time,) or perhaps from the want of specie and resources in the country, swelled to a height, which, in the apprehensions of many, prognosticated a speedy bankruptcy, or national ruin.

*Rise and Progress of our present National Debts.*

Perpetual annuities.

At first, money was borrowed, during this reign, at *5 per cent*. It afterwards rose to 6, but, in fact, was much higher: for the South Sea Company received that interest for tallies, which were incorporated into its stock, at par, though they had sold in the market, a little time before, at *40 per cent*. discount.

Rate of interest.

During the latter part of this reign, money was principally borrowed by the mode of lotteries; and consequently the profit of the subscribers greatly depended upon the spirit of gambling at the time.

Premiums.

<sup>1</sup> Harley, afterwards created Lord Oxford, from two papers he wrote upon Loans and Public Credit, seems to have understood the subject. They may be seen in Somers's Collect. of Tracts, vol. ii.



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\* By 12 Anne, sess.

\* Hist. of our Nation

\* Treatises on the N.

# GENERAL VIEW of the NATIONAL DEBT, on 31st December 1714.

*Rise and  
Progress of  
our present  
National  
Debts.*

## 1. PERPETUAL FUNDS.

|  | <i>Principal.</i> | <i>Interest.</i> |
|--|-------------------|------------------|
| 1. To the capital of the Bank of England at 6 per cent.        | £. 1,600,000 0 0  | 96,000 2 0       |
| 2. To Do. for cancelling exchequer bills at Do.                | 1,775,027 17 10   | 106,512 13 5     |
| 3. To sundry exchequer bills circulated by the Bank            | 4,676,812 10 0    | 335,557 8 5      |
| Total to the Bank  | £. 8,051,840 7 10 | 538,070 1 10     |
| 4. To the East India Company at 5 per cent.                    | 3,200,000 0 0     | 160,000 0 0      |
| 5. To the South Sea Company at 6 per cent.                     | 9,177,967 15 4    | 550,678 1 3      |
| 6. To the bankers debt, contracted in the reign of Charles II. | 664,263 0 0       | 39,855 15 7      |
|  | £. 21,094,071 3 2 | 1,288,603 18 8   |

## 2. TEMPORARY ANNUITIES.

|   |                    |               |
|---|--------------------|---------------|
| 7. By various lottery funds, granted for thirty-two years | 13,223,910 0 0     | 990,249 12 0  |
| 8. By various other temporary annuities                   | 12,793,132 13 4    | 871,134 12 10 |
|   | £. 47,111,113 16 6 | 3,149,988 3 6 |

## 3. UNFUNDED DEBTS.

|  |                    |               |
|--|--------------------|---------------|
| 9. To the navy and victualling debt, with interest at 4 per cent.                            | 795,901 19 8       | 31,836 1 7    |
| 10. To army debentures by Geo. I. cap. 7. charged upon the general fund                      | 1,604,572 15 2     | 64,182 18 2   |
| 11. To the army debt, including the sums paid off by grants, anno 1714 and 1715              | 550,000 0 0        | 22,000 0 0    |
| 12. Deficiencies on the old funds, made good by parliament, after the Queen's death          | 2,083,775 0 0      | 83,351 0 0    |
|  | £. 52,145,363 12 4 |               |
| 13. Supposed addition to the capital upon converting the temporary into redeemable annuities | 2,000,000          |               |
|  | £. 54,145,363 12 4 | 3,351,358 3 3 |

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This is as accurate a statement, as it is now possible to furnish, of our public debts at the accession of the present royal family. It is extracted from various accounts, drawn up by different authors, who do not entirely agree with each other as to the amount of the debt<sup>a</sup>; a circumstance, however, the less material, as minuteness of accuracy, in such remote transactions, is hardly to be expected, and is far from being essential. In regard to the value and real burden of these national incumbrances, Hutchinson supposes, that the funded debts alone, in April 1717, at the market price of the day were worth £. 50,106,611. But the total of the national debt, funded and unfunded, in December 1717, he calculates at £. 54,026,865<sup>a</sup>:

<sup>a</sup> See the account of the public debts at the exchequer, March 14, 1716, Commons Journals, vol. xviii. p. 498. From the death of the queen, till that period, there was little differ-

and indeed, £. 54,145,363 of principal, bearing an interest of about £. 3,351,358, seems to have been pretty nearly the state of our debts at the death of Queen Anne: consequently they received, during her reign, an addition of about £. 37,750,661 8s.<sup>†</sup>

*Rise and  
Progress of  
our present  
National  
Debts.*

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In all the computations drawn up of the national debt, at that time, there is no circumstance with which the reader will be more struck, than with the addition which is always made to the capital, upon the supposition that the temporary annuities were to be bought up. Though many of them commenced in the reign of William, and, consequently from fifteen to twenty years had elapsed since they were originally granted; yet it was computed, that it would require £. 4,415,189 : 2 : 1, more than the nation had originally received, to re-purchase them at the prices for which they sold in December 1717<sup>\*</sup>: and such of these temporary annuities, as were subscribed into the South Sea Stock, in consequence of two acts of parliament, passed *anno* 1719, and 1720<sup>a</sup>, cost the nation an addi-

<sup>†</sup> Postlethwayt, in his History of our Revenue, computes the difference in regard to the amount of our debts, between the 31st December 1701, and 31st December 1712, at only £. 35,488,293 : 7. See p. 107. But it appears from p. 152, that there was a difference between the 31st December 1712, and 25th December 1716, of £. 2,670,231 : 1, the greater part of which ought to be added.

<sup>\*</sup> See Hutchinson's Treatises, p. 59.

<sup>a</sup> See 5 George I. cap. 19. and 6 George I. cap. 4.; and Postlethwayt's Hist. p. 104. 106.

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— tional capital of £.3,034,769:11:11, though  
£.1,836,275:17:10 of Long Annuities, besides  
some life annuities, were not included. The  
holders of such of these annuities, as were granted  
*anno* 1694, Hutchinson calculates, were not only  
repaid both their principal and interest at 6 *per*  
*cent.* in December 1717, but also had received  
about 30 *per cent.* more than they had originally  
paid<sup>b</sup>. The loss which the public has sustained by  
these annuities, since the period above mentioned,  
it is impossible to think of with any degree of  
patience.

### GEORGE I.

Whoever contemplates the history of this coun-  
try, under the government of those princes who  
were attached to Roman Catholic principles, or

might have laid the foundation, of our being once more free, from a considerable share of those burdens to which we were then subjected. But such were the timidity, the carelessness, or the misconduct of those who were in power, that, though the reign of George I. was, on the whole, a period of tranquillity, little disturbed by foreign wars, and those not of a very expensive nature, yet so favourable an opportunity was suffered to escape; and though the interest of our debts, in consequence of the decrease in the value of money, and of the bargain with the South Sea Company, was considerably diminished, yet the capital unfortunately underwent no material reduction.

It is proposed briefly to explain, from what causes this circumstance proceeded.

At the close of the reign of Queen Anne, the people of this country were divided into two great parties, one of whom was desirous of restoring the House of Stuart, the other, of maintaining the rights of the protestant succession. When George I. therefore came to the throne, he was naturally led to trust the entire management of public affairs, in the hands of those, who had professed themselves his friends, and indeed had persevered in their attachment to his interest, even when such principles were not the immediate road to preferment. It is to be regretted that such a monopoly of power was judged necessary: for such a system promoted disaffection, and encouraged violence and party rage in those who considered themselves as proscribed.

*Rise and  
Progress of  
our present  
National  
Debts.*

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proscribed. Whereas, had William's example been followed, and had an administration been composed out of both parties, it is probable that no man would have attempted to have disturbed the established government of his country <sup>c</sup>.

But such measures, though warmly recommended to his majesty at his accession to the throne, were considered to be either dangerous or impracticable; and a formidable party, finding themselves thus totally excluded from all hopes of authority and power, joined the warm partizans of the exiled family, and raised an insurrection, which, though soon quelled, involved the nation in considerable expence; injured the credit of the government, and justified their postponing, to take the methods that were necessary for the re-establishment of our finances. The delay might also partly arise, from an absurd notion propagated during this reign, that the reduction of the national debt, might prove prejudicial to the family upon the throne, by diminishing the number of those who were attached to it from interested motives, and whose fortune would be materially injured, should any revolution take place <sup>d</sup>.

It was carefully propagated, by the partizans of a particular party, about the middle of the reign of George II., that, since the accession of the pre-

<sup>c</sup> Hist. of our Nat. Debts, part iii. p. 2.

<sup>d</sup> See Treatises on the Nat. Debt, p. 117. Hutchinson justly ridicules the idea, that a load of fifty millions of debt upon the nation, was a security to the protestant succession.

sent royal family, the interests of Great Britain had been constantly sacrificed to that of the electorate, and that this country had ever since been steered by the rudder of Hanover\*. It is certain, that our connections with this country, necessarily involved us, more than otherwise would have been necessary, in the affairs of the continent: and the first of the Brunswick family that sat upon the English throne, having acquired the possession of the dutchies of Bremen and Verden, and being anxious to secure an acquisition of such great importance to his hereditary dominions, we were thence led into a war with Sweden, to which Bremen and Verden properly belonged; but all pretensions to which, she was compelled to renounce, in consequence of our exertions†. Nor was this all; for as these dutchies composed a part of the German empire, it was necessary to procure the investiture of them; and this brought on a train of negotiations with the emperor, and with other powers, which, whilst they did no great credit to the abilities of our statesmen, proved highly prejudicial to our finances‡: for having guarantied, by the quadruple alliance, the

*Rise and  
Progress of  
our present  
National  
Debts.*

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\* See Faction detected by the Evidence of Facts, 2d edition, p. 121. supposed to be written by Lord Egmont.

† See the Treaty of Peace, dated Nov. 20, 1719: Collection of Treaties, vol. i. p. 345.

‡ Bolingbroke, vol. iv. p. 132. and Faction detected, p. 26. in which it is remarked, that, *anno* 1731, in consequence of these negotiations, we employed a Squadron of British men of war to escort some Spanish troops into Italy, at the expence of £. 200,000.

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territories of the emperor in Italy, we were thereby involved in a war with Spain, begun in July 1718, which, after having been signalized by a victory obtained on the coast of Sicily, over the Spanish fleet, was terminated by a treaty of peace, signed June 13, 1721.

But the principal cause of our public debts remaining undiminished, during this period, undoubtedly was,—mismanagement in our domestic affairs. Little care was taken to raise such a revenue as the nation could afford; and what was raised, was expended in a greater peace establishment than Britain had ever been accustomed to support. Our unnecessary expences, during this Monarch's reign, are calculated to have amounted to £.13,730,000<sup>b</sup>; a sum, which, had it been properly applied to the redemption of the debt, would not only have diminished the principal to that amount, but would also have enabled us to have reduced the interest of

GENERAL VIEW of the NATIONAL DEBT,  
on Dec. 31, 1727.*Rise and  
Progress of  
our present  
National  
Debt.*

## I. PERPETUAL FUNDS.

|  | <i>Principal.</i>   | <i>Interest.</i> |
|--|---------------------|------------------|
| 1. To the capital of the Bank of England, at 6 per cent. -                             | £ 1,600,000 0 0     | 96,000 0 0       |
| 2. To ditto, for cancelling Exchequer bills, reduced at Midsum. 1727, to 4 per cent. - | 1,775,027 17 10½    | 71,001 2 3½      |
| 3. For cancelling Exchequer bills, reduced at Midsum. 1727, to 4 per cent. -           | 2,000,000 0 0       | 80,000 0 0       |
| 4. Purchased from the South Sea Company, reduced to 4 per cent. at Midsum. 1727 -      | 4,000,000 0 0       | 160,000 0 0      |
| Total to the Bank  | £. 9,375,027 17 10½ | 407,001 2 3½     |
| 5. To the East India Company -   | 3,200,000 0 0       | 160,000 0 0      |
| 6. To the South Sea Company -  | 33,802,203 5 6½     | 1,352,088 2 7½   |
|  | £. 46,377,231 3 5   | 1,919,089 4 10½  |

## 2. TEMPORARY ANNUITIES.

|   |                 |                |
|---|-----------------|----------------|
| 7. To various, long, short, and life annuities -                  | 2,433,942 4 4½  | 182,932 14 12  |
| 8. To various Exchequer bills, &c. charged on different surpluses | 1,543,780 15 4  | 46,038 6 1½    |
|   | 50,354,954 3 1½ | 2,148,060 6 1½ |

## 3. UNFUNDED DEBT.

|                              |                    |                |
|------------------------------|--------------------|----------------|
| 9. Navy Debt, at 4 per cent. | 1,737,281 2 3½     | 69,491 4 10½   |
|                              | £. 52,092,235 5 4½ | 2,217,551 11 0 |

Thus it appears, that the capital of the national debt, in the year 1714, and in the year 1727, were nearly the same; particularly, if no addition is made to the principal, in the former period, on the supposition, that the temporary annuities ought to

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*anno* 1748; the third,  
French war, *anno* 17  
tended to the treaty of  
during this reign, tha  
the formidable appear  
the more necessary, |  
each of these periods.

<sup>1</sup> Postlethwayt, in his *Hist*  
*poses*, that about *c.* 1600 -

If any one æra, since the revolution, were to be pointed out, in which our ministers were peculiarly culpable, for neglecting to take solid and substantial measures, to restore good order in our finances, it must be that of the commencement of this monarch's reign. The nation was then acknowledged, on all hands, to be in the most prosperous and flourishing condition: its glory and reputation were at the highest pitch, and it never was better able to vindicate the honour of the crown, and to defend its just privileges and possessions\*; and yet little advantage was reaped from so splendid a situation. The minister at the time, (Sir Robert Walpole,) though supported by the whole influence of the crown, and by a formidable party in parliament, did not enjoy the general confidence of the people; and instead of adding to the public revenue, and diminishing the national incumbrances, he preserved his tottering authority, by reducing the land tax to one shilling in the pound, in order to ingratiate himself with the landed interest, and by alienating the produce of the sinking fund, from those purposes to which it had been originally destined, and applying it to the current services of the year. There is also too much reason to believe, that those resources which ought to have been employed in discharging the public incumbrances,

*Rise and  
Progress of  
our present  
National  
Debts.*

*The first period.*

\* These are expressions contained in one of this monarch's first speeches from the throne, July 17, 1727. Comm. Journ. xxi. p. 14.

*Rise and  
Progress of  
our present  
National  
Debts.*

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were shamefully wasted, in purchasing the votes of the venal, and in hiring mercenary writers, to defend the cause of the minister, and to rail against his opponents<sup>1</sup>. The consequence was, that, during a period of profound peace, and which lasted for the space of twelve years, the reduction in the capital of our debt was very inconsiderable, in comparison of what it ought to have been, considering the many advantages which we enjoyed.

But, as the national debt, *anno* 1739, was lower than at any period since the death of Queen Anne, it may not be improper to state the particulars of which it consisted.

<sup>1</sup> From 1707, to 1717, the money paid for secret services, amounted only to £. 337,960: 4: 3½. But, from 1731, to 1741, being another period of ten years, no less a sum than £. 1,453,400: 6 was issued for the same purposes. See Commons Journals, vol. xxiv. p. 295.

GENERAL VIEW of the NATIONAL DEBT,  
on December 31, 1739.*Rise and  
Progress of  
our present  
National  
Debts.*

## 1. PERPETUAL FUNDS.

|  | <i>Principal.</i> |      | <i>Interest.</i> |       |
|--|-------------------|------|------------------|-------|
| 1. To the capital of the Bank of England at 6 <i>per cent.</i> - | £1,600,000        | 0 0  | 96,000           | 0 0   |
| 2. For cancelling Exchequer bills, at 4 <i>per cent.</i> -       | 500,000           | 0 0  | 20,000           | 0 0   |
| 3. Purchased of the South Sea Company, at 4 <i>per cent.</i> -   | 4,000,000         | 0 0  | 160,000          | 0 0   |
| 4. Annuities at 4 <i>per cent.</i> from Midsummer 1728 -         | 1,750,000         | 0 0  | 70,000           | 0 0   |
| 5. Annuities at 4 <i>per cent.</i> from ditto 1729 -             | 1,250,000         | 0 0  | 50,000           | 0 0   |
| Total to the Bank  | £9,100,000        | 0 0  | 396,000          | 0 0   |
| 6. To the East Company, at 4 <i>per cent.</i> -                  | 3,200,000         | 0 0  | 128,000          | 0 0   |
| 7. To the South Sea Company, at ditto -                          | 27,302,203        | 5 6½ | 1,092,088        | 2 7½  |
|  | £39,602,203       | 5 6½ | 1,616,088        | 2 7½  |
| 8. To various long and short annuities, Exchequer bills, &c. -   | 6,527,735         | 2 4  | 34,949           | 19 8  |
| 9 The Navy and Victualling debt, at 4 <i>per cent.</i> -         | 824,684           | 15 6 | 32,987           | 7 9½  |
| Total  | £46,954,623       | 3 4½ | 1,964,025        | 10 1½ |
|  | <i>Principal.</i> |      | <i>Interest.</i> |       |
| Debt on Dec. 31, 1727  | £52,092,235       | 5 4½ | 2,217,551        | 11 0½ |
| Debt on Dec. 31, 1739  | 46,954,623        | 3 4½ | 1,964,025        | 10 1½ |
| Difference   | £5,137,612        | 0 0  | 253,526          | 0 10½ |

If instead of this inconsiderable reduction, the minister had proceeded to the great work of diminishing the debt, with firmness and vigour, and, indeed, had he not alienated the sinking fund, and defeated Sir John Barnard's plan, for reducing the interest of the greater part of the redeemable annuities, from 4 to 3 *per cent.* (which might have

*Rise and  
Progress of  
our present  
National  
Debts.*

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been carried into effect *anno* 1737, as well as *anno* 1749,) our finances would have been put in such a state, that no power in Europe would have ventured to incur our resentment; and we might have avoided a war, equally unnecessary and inglorious, which added above thirty millions to our national incumbrances.

*The second  
period.*

An idea had become not a little prevalent, in foreign countries, during the latter part of Sir Robert Walpole's administration, that this country, notwithstanding all its power and riches, might be insulted with impunity, because the minister knew well, that a war must prove fatal to his authority. The court of Spain embraced so favourable an opportunity, of displaying that antipathy to Great Britain, which it had long entertained, and the sources of which it is necessary briefly to explain.

By an express article in the second grand alliance, concluded *anno* 1701, it had been stipulated, that Great Britain and Holland should retain, whatever cities and territories belonging to the Spanish dominions in the Indies, should be conquered by their arms<sup>a</sup>. But, though such an opportunity of making valuable acquisitions to the crown of England, had never before, or, indeed, since existed, yet our exertions were almost entirely dedicated to European conquests; and, instead of Hispaniola and Cuba, (possessions almost invaluable to a commercial nation,) Gibraltar and

<sup>a</sup> See Art. 6.

Minorca were those about which we were occupied ; and, as it was easily perceived, that no plan of a treaty would succeed, unless this country was gratified with some important acquisitions, the King of Spain was thence compelled, by certain articles in the treaty of Utrecht, to surrender Gibraltar and Minorca, in full right and property to the crown of Great Britain.

*Rise and  
Progress of  
our present  
National  
Debts.*

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It is probable, however, from the conclusion of the article by which Gibraltar was ceded, (in which it is declared, that if ever the property of that fortress was to be alienated, the preference should be given to the crown of Spain,) that there was some secret understanding between the parties at the time, with respect, either to an exchange or a sale ; and Philip King of Spain, in consequence of some such agreement, was perpetually importuning the British ministers, that Gibraltar might be restored. Nay, on the 1st of June 1721, George I. wrote a letter to that Monarch, in which it is said, “ I do no longer balance to assure your Majesty, of my readiness to satisfy you with regard to your demand, touching the *restitution* of Gibraltar ; promising you to make use of the first favourable opportunity, to regulate this article, with the consent of my parliament.”

Gibraltar, however, was a possession, too dear to the English nation to be easily relinquished ; and such advantage would have been taken of their at-

\* See the original letter in French, and a translation of it, Comm. Journ. vol. xxi. p. 285.



*Rise and  
Progress of  
our present  
National  
Debts.*

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tachment to it, by those who were in opposition to government at the time, that no steps could be safely pursued for a restitution of that fortress. This naturally excited chagrin and resentment in the court of Madrid, which were perpetually breaking out, when any favourable opportunity occurred of insulting us with impunity.

But the war more immediately arose, from the treatment which our ships and mariners, and those of our colonies in particular, received on the American seas. The Spaniards, anxious to monopolize the whole trade of their colonies in America, treated in the harshest and most cruel manner, such British vessels as ventured near their settlements, whether for the purposes of commerce, or when driven by necessity. These circumstances at last attracted the attention both of the Crown and of Parliament; and the examination of an old sailor at the bar of the House of Commons, who was maimed by the cruelty of the Spaniards, roused the indignation of that assembly, and filled the whole nation with a spirit of resentment; in consequence of which, war was declared against Spain on the 19th of October 1739.

An event soon afterwards took place, which involved all Europe in confusion.

On the 9th of October 1740, Charles VI. Emperor of Germany, (the last prince of the house of Austria), expired at Vienna. Little doubt was at first entertained, that his eldest daughter, (Maria Theresa, married to the grand Duke of Tuscany,) would

would enjoy an undisturbed succession. But, though the principal powers of Europe had guaranteed her rights, disputes arose with regard to the possession of the greater part of her father's dominions; and the Elector of Bavaria was set up by France, as a competitor for the Imperial crown. In this extremity, her whole dependance rested on the support of Great Britain; by whose assistance she at last triumphantly surmounted all her difficulties. But to establish that prince's, and to preserve the present Imperial family, in opposition to the intrigues and the armaments of France, was attended with charges, the burthen of which this country feels at this hour.

*Rise and  
Progress of  
our present  
National  
Debts.*

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Great Britain, has, in general, enjoyed this advantage, that the wars in which she has been engaged, have not been carried on within the boundaries of the island. In the year 1745, however, we felt all the horrors of intestine hostilities, in consequence of a bold and desperate attempt, to raise a new rebellion in favour of the exiled family. The warlike spirit for which the northern parts of Scotland have been so long distinguished, instead of being employed, to maintain the rights, and to extend the fame and glory of the British empire, had been suffered to rust in sloth, and to brood over its causes of discontent. A brave and hardy race, thus neglected by their legal sovereign, considered themselves as a proscribed and devoted people; and, preserving their old attachments, flew to arms, with alacrity and zeal, to support the only cause for

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which they were suffered to bleed; flattering themselves with the vain expectation, of being able, by their valour, to replace the house of Stuart upon the throne. The insurrection, though at first successful, was at once quelled by the decisive victory at Culloden. Besides the great expences which this rebellion occasioned, and the injury which it did to the national credit<sup>o</sup>, it was attended with another unfortunate circumstance. The troops employed for that purpose, being drawn from the armies of the allies on the continent, this circumstance weakened our forces there to such a degree, as to disable us from reaping those advantages, which otherwise we had every reason to expect.

This war with Spain and France, which had lasted nine years, was at last terminated by the treaty of Aix la Chapelle; and it is now proposed, to give some account of the principles, upon

It was during this period, that a practice which began in the reign of Queen Anne, of adding an artificial to the real capital, was first carried to any great height. The funds were now considered as a permanent species of property, which it was supposed the nation could never totally redeem; and it was, therefore, thought better, to dispose of a certain quantity of a 3 or 4 *per cent.* stock; and thus to make a bargain at one determinate interest, than to establish new funds at different rates, in proportion to the fluctuation of the value of money, which, during a long war was perpetually increasing. The plan was at first less pernicious than it has since proved. The price of stocks, during this whole period, did not greatly differ from the capital. Indeed, until the rebellion of 1745, the 3 *per cents.* had never been below 89. But the same practice has since been pursued, when these funds sold at little above one half of their nominal value; and the State has acknowledged itself indebted in a hundred pounds, when, perhaps, it only received sixty. The ignorant might be thus deceived into an opinion, that we were borrowing at a lower interest than in fact was the case. We have dearly paid, however, for this imaginary advantage, by a great and solid addition to our national incumbrances. How much of our present load of debt, ought to be attributed to this destructive mode of raising money, will be the subject of future inquiry.

*Rise and  
Progress of  
our present  
National  
Debts.*

*Mode of  
borrowing.*

*Rise and  
Progress of  
our present  
National  
Debts.*

*Premiums.*

It was usual also, at this time, when money was borrowed, to give douceurs to the creditor, in the shape of lottery tickets, or of life annuities; a mode adopted, not only with a view of concealing from the people, the real burdens of the war, but also of enabling the money-lender, to make the greater profit of his bargain with the public, by furnishing him with every species of security, and putting it in his power to please the palate of every different purchaser.

*East India  
Company.*

It has been an unfortunate circumstance for this country, that we have hardly ever concluded a bargain, with any of those great companies, which were originally instituted, with a view to facilitate the reduction of our debts, but at a time when the public was involved in difficulties, and consequently necessitated, to accept of any terms they thought proper to propose. Thus, in order to procure a million from the East India Company, the exclusive charter which it had obtained, was continued from 1766 to 1780; and consequently prolonged for fourteen years, twenty-three years before the former term of the monopoly was to have ceased. For this million, they were to receive an interest of 3 *per cent.*; and, as 3 *per cents.* were then at 97, the whole value they gave for this grant did not exceed £. 30,000<sup>p</sup>. The company, it is believed, would have paid in a million, and would have readily accepted of £. 750,000 of capital, bearing what was then the usual interest of 4 *per cent.* But

<sup>p</sup> *Polit. Econ. vol. ii. p. 392.*

those

those who managed these contracts for the public, (as Dr. Price well observes,) did not attend to the absurdity and extravagance, of loading posterity with a debt, for money paid, to enjoy the exclusive possession of certain valuable privileges, and thus of *borrowing*, in the very act of *selling*, a very important monopoly<sup>†</sup>.

*Rise and  
Progress of  
our present  
National  
Debts.*

During this period, also, the charter of the Bank was prolonged, until the 1st of August 1764, in consideration of which, they lent to government, *anno* 1742, the sum of £.1,600,000 without interest; the greater part of which, would have been paid for the prolongation of its exclusive charter, had the former interest of 6 *per cent.* on their original stock, been continued. Thus another wanton and unnecessary addition was made, to the capital of our debts<sup>‡</sup>.

Let us next see the amount of our national debt, when the war was brought to a conclusion.

<sup>‡</sup> Traacts on Civil Liberty, p. 132.

<sup>†</sup> Ibid. p. 125.

*Rise and  
Progress of  
our present  
National  
Debt.*

## GENERAL VIEW of the NATIONAL DEBT, on 31st Dec. 1748.

### 1. FUNDED DEBTS.

|   | <i>Principal.</i>   | <i>Interest</i> |
|---|---------------------|-----------------|
| 1. The capital of the Bank of England, at 3 per cent.               | £. 3,200,000 0 0    | 96,000 0 0      |
| 2. For cancelling Exchequer bills, at 4 per cent.                   | 500,000 0 0         | 20,000 0 0      |
| 3. Purchased of the South Sea Company, at ditto                     | 4,000,000 0 0       | 160,000 0 0     |
| 4. Annuities at 4 per cent. from Midsum. 1728                       | 1,750,000 0 0       | 70,000 0 0      |
| 5. Annuities at ditto, from ditto 1729                              | 1,230,000 0 0       | 50,000 0 0      |
| 6. For cancelling and circulating Exchequer bills                   | 1,486,400 0 0       | 54,450 0 0      |
|   | £. 12,186,400 0 0   | 450,450 0 0     |
| 7. To the East India Company, for its stock and annuities           | 4,200,000 0 0       | 158,000 0 0     |
| 8. To the South Sea Company, at 4 per cent.                         | 27,302,203 5 6½     | 1,092,088 2 7½  |
| 9. To various long and short annuities, payable at the exchequer    | 2,042,723 6 1½      | 218,117 11 8    |
| 10. To various redeemable annuities, at different rates of interest | 3,079,071 5 1½      | 104,561 7 9     |
| 11. To various Bank annuities, at different interests               | 22,530,000 0 0      | 829,200 0 0     |
|   | £. 71,340,397 16 9½ | 2,852,417 2 0½  |

### 2. UNFUNDED DEBTS.

|  |                     |                  |
|--|---------------------|------------------|
| 12. To navy, victualling, transport, and ordnance debts, at 3 per cent           | 5,748,264 17 5½     | 172,417 18 11    |
| 13. Debts and deficiencies provided for posterior to Dec. 31, 1748, at per cent. | 1,204,650 7 8½      | 36,739 10 2½     |
|  | £. 78,293,313 1 10½ | 3,061,004 11 1½  |
|  | <i>Principal.</i>   | <i>Interest.</i> |
| Debt on Dec. 31, 1748  | £. 78,293,313 1 10½ | 3,061,004 11 1½  |
| Debt on Dec. 31, 1739  | 46,954,623 3 4      | 1,964,025 10 1½  |
| Increase   | £. 31,338,689 18 6½ | 1,096,979 1 0½   |
|  |                     | Thus             |

Thus it appears, that the war occasioned an addition of £. 31,338,689 : 18 : 6½ to the principal ; and of £. 1,096,979 : 1 : 0½ to the interest of our debts ; to which are to be added, the money taken from the sinking fund, and the additional taxes which were imposed, in order to carry on a war, which, after all, was productive of not one solid advantage, and was concluded by a peace, in every respect inglorious.

*Rise and  
Progress of  
our present  
National  
Debts.*

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From the treaty of Aix la Chapelle, we enjoyed the blessings of peace for about seven years ; a period distinguished by the boldest, and most useful operation of finance, recorded in the history of this country : for, by the judicious measures taken by that able and patriotic minister, Mr. Pelham, who at that time had the management of our revenue, aided by the counsels of that excellent citizen, Sir John Barnard, no less a sum than £. 57,703,475 6 : 4½ was gradually reduced from an interest of 4 to 3 *per cent.* This is a subject, however, which more properly belongs to the ensuing chapter. At present, it is only necessary to remark, that our debt, *anno* 1755, amounted to £. 74,571,841 : 0 2½, bearing an interest of 2,416,717 : 0 : 4½. Consequently, 3,721,472 : 1 : 8½ of principal, was paid off, in addition to the great reduction of interest that was so happily accomplished.

*Third period.*

The British colonies in North America, after long struggling with various difficulties, arising from the nature of the climate, the ruggedness of the soil, and the barbarity of their Indian neighbours,

*Fourth period.*



*Rise and  
Progress of  
our present  
National  
Debts.*

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bours, began, about this time, in consequence of their own exertions, and aided by the support and encouragement which they received from the mother country, to enjoy a considerable degree of happiness and prosperity; and when nothing seemed likely to have disturbed the tranquillity of England, for many years, she was alarmed with intelligence, that these colonies, which she had reared at such an expence, and protected at such heavy charges, were in a state of the utmost danger and distress, the French having, by their intrigues, united the various tribes of Indians against them; and having constructed forts, surrounding the frontiers of all the settlements, some of them within 225 miles of Philadelphia<sup>1</sup>. These circumstances, were first publicly taken notice of, in his Majesty's speech from the throne, on the 13th of November 1755; and the Commons, in their address, thanked the Crown, "for having, at the hazard of all  
" events, taken measures for the defence of the  
" British dominions in America, not only en-  
" croached upon, but openly attacked by the  
" French, in a time of full peace, and farther  
" threatened and endangered by a large embark-  
" ation of troops from Europe." And they also declared, "that they would vigorously and cheer-  
" fully support his Majesty, in his resisting such  
" unjustifiable encroachments<sup>2</sup>." Attempts have recently been made, to ascribe the origin of this

<sup>1</sup> Mort. Hist. of England, vol. iii. p. 512.

<sup>2</sup> Comm. Journ. vol. xxvii. p. 301.

war,

war, to other motives. Posterity will be able to judge, with more impartiality than we can at present, how far such ideas are well founded; but it will be difficult for it be convinced, that the war did not arise, from a passionate desire on the part of the English nation, to defend those whom they considered as their brethren, and who certainly stood the risk, of being either destroyed by the tomahawks of the Indians, or driven into the sea by the French, had it not been for our assistance. A war thus springing up, soon spread its destructive influence far and wide; and occasioned an expence to this country, much greater than it ever had before incurred; the fatal consequences of which, were greatly increased, from the pernicious manner in which our debts were contracted.

*Rise and  
Progress of  
our present  
National  
Debts.*

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The enormous charges with which this war was attended, put government so much in the power of the money-lenders, that the most disadvantageous terms were agreed to, without hesitation. The first million that was borrowed, was obtained at an interest of only 3 *per cent.*; and as every addition to that interest, or augmentation of capital, for which no value was received, is to be accounted an additional premium or *douceur*, the loss which the public sustained in this manner, will appear almost incredible.

*Mode of  
borrowing.*

*Rise and  
Progress of  
our present  
National  
Debt.*

### GENERAL VIEW of the PREMIUMS upon the NEW LOANS, in the course of the War, begun *anno* 1755.

|  |   |    |                      |   |   |
|--|---|----|----------------------|---|---|
| 1. On the loan 1756, an additional interest<br>of 1-half per cent.   | - | £. | 90,000               | 0 | 0 |
| 2. Ditto 1757, being a life annuity of 1 per<br>cent. "  | - | -  | 472,500              | 0 | 0 |
| 3. Ditto 1758, an additional interest of 1-<br>half per cent. for 24 years   | - | -  | 495,000 <sup>1</sup> | 0 | 0 |
| 4. Ditto 1759, £. 990,000 of capital, bear-<br>ing an interest of 3 per cent. which, in 9<br>years only, amounted to | - | -  | 1,257,300            | 0 | 0 |
| 5. Ditto 1760, by various discounts  | - | -  | 1,852,800            | 0 | 0 |
| 6. Ditto 1761, by ditto  | - | -  | 4,296,375            | 0 | 0 |
| 7. Ditto 1762, by ditto  | - | -  | 5,820,000            | 0 | 0 |
|  |   |    | £. 14,283,975        | 0 | 0 |

It is evident, that some part of this sum, cannot justly be placed to the account of those ministers by whom the money was borrowed; because the value of money necessarily increases, with the demand for it in time of war. But if loans had been made at a high interest, and with a low capital, the public would have been, perhaps, *twelve millions and a half* less incumbered than it was; and, at the same time, the annual charges in no respect greater<sup>2</sup>;

<sup>1</sup> Sir James Stewart remarks (Polit. Econ. vol.ii. p.397.), that Mr. Grenville has calculated these life annuities at too low a rate.

<sup>2</sup> See the Present State of the Nation, supposed to be written by the Right Honourable George Grenville, 3d edition, p. 11.

<sup>3</sup> Tracts on Civil Liberty, p. 108.

and some part of the debt might easily have been redeemed by parliament, at the return of peace, or borrowed upon lower interest.

*Rise and Progress of our present National Debts.*

Let us next see the amount of our debts, funded and unfunded, at the conclusion of the peace, *anno* 1762.

### GENERAL VIEW of the NATIONAL DEBT, at the Conclusion of the War, begun *anno* 1755, and ending *anno* 1762.

|   | <i>Principal.</i> | <i>Interest.</i>         |
|---|-------------------|--------------------------|
| 1. To the national funded debt, on the 5th of January 1755, (See Commons Journals, vol. xxvii. p. 167.) with the interest payable thereon, since the reduction, <i>anno</i> 1755 and 1757 | -                 | £. 73,289,673 2,378,252  |
| 2. To the Navy debt, Jan. 17, 1755 (ditto p. 108,) at 3 per cent.   | -                 | 1,282,167 38,465         |
|   |                   | £. 74,571,840 2,416,717  |
| 3. To the debt funded during the war, including the value of the long annuities, granted <i>anno</i> 1761 and 1762  | £. 58,129,375     | 2,036,300                |
| 4. To unprovided debts, funded prior to 1764  | 6,983,553         | 279,342                  |
| 5. Unfunded debt, remaining <i>anno</i> 1763, deducting the pavy debt of 1755   | 6,998,076         | 108,462                  |
|   |                   | 72,111,004 2,424,104     |
|   |                   | £. 146,682,844 4,840,821 |

\* Mr. Grenville, in his *State of the Nation* (p. 28.) supposes, that the debt, funded and unfunded, at the conclusion of the peace of Paris, amounted to £. 148,377,618, bearing an interest of £. 4,993,144 *per annum*. But

*Rise and  
Progress of  
our present  
National  
Debt.*

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Thus, for the sake of protecting from the power of France, those very colonies, who, not many years afterwards, thought proper to throw themselves into the arms of that country, we were led into a train of measures, which almost doubled the incumbrances of the nation, and required an addition of above two millions and a half, to pay merely the annual interest of the debt incurred; and when a peace was concluded, and Guardeloupe and Canada came to be put in competition, (however preferable the former in every commercial view,) the interests of Great Britain, were not suffered for a moment, to stand in competition, with providing for their security. These are circumstances which, it is to be hoped, our American brethren will ever recollect, with the natural sensations of generous minds, awakened from prejudice and passion, and alive to the genuine dictates of honour and gratitude.

### GEORGE III.

At the conclusion of the war, in 1762, the situation of this country, was, to all appearance, splendid and flourishing. It was incumbered, it is true,

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the above is the sum at which it is stated by the learned Dr. Price, who has more recently examined the subject (see the Account of the Progress of the National Debt, Tracts on Civil Liberty, p. 147.). The difference seems to have arisen from the former including the deficiencies of grants and funds ~~and~~ 1763 and 1764, and the whole of the extraordinaries of the army, which the latter does not take into its computations.

with

with a heavy debt, but in no degree beyond what it could bear; and we might have enjoyed as high a pitch of prosperity and happiness, as any nation could have desired, if a fatal spirit of anarchy and of intestine discord, if a lust of power among the great, and an impatience of subordination among the people, had not arisen, which, after raging for some time at home, at last broke out, with redoubled violence, in our American colonies, and produced a contest equally pernicious to both countries. Even before the disputes with America had burst forth into hostilities, our dissensions had been attended with the most destructive consequences to the nation. They occasioned, in the management of our affairs, an inattention to every thing but parliamentary influence, a prodigality of our public expenditure, and a system of adopting temporary expedients, instead of pursuing some great, uniform, and decisive line of conduct. The same unhappy divisions, made us neglect to cultivate the friendship, or to conciliate the affections of those powers with whom we were naturally connected: whilst, on the hand, we seemed afraid to offend our enemies, unmindful of that important political maxim, “when discord rages at home, to give it “an opportunity of spending its violence against “other states.” Indeed, if the rupture with Spain, for the possession of Falkland islands, had not been unfortunately prevented, those resources, which Great Britain and her colonies wasted in destroying each other, might have been employed, in curbing

*Rise and  
Progress of  
our present  
National  
Debts.*

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# GENERAL VIEW of the NATIONAL DEBT, at Midsummer 1775.

*Rise and  
Progress of  
our present  
National  
Debts.*

## I. PERPETUAL FUNDS.

|   | <i>Principal.</i>     | <i>Interest.</i> |
|---|-----------------------|------------------|
| 1. To the capital due to the Bank of England  | £. 11,686,800         | £. 350,604       |
| 2. To the East India Company  | - 4,200,000           | 126,000          |
| 3. To the South Sea Company   | - 25,984,674          | 779,541          |
|   | <u>£. 41,871,474</u>  | <u>1,256,145</u> |
| 4. Perpetual Bank annuities, at 4 per cent. which in January 1781 fell to 3 per cent. | - 18,986,300          | 759,452          |
| 5. Ditto, at 3 and a half per cent. which fell to 3 per cent. anno 1782               | - 4,500,000           | 157,500          |
| 6. The 3 per cent. consolidated annuities   | - 38,251,696          | 1,147,552        |
| 7. The 3 per cent. reduced annuities  | - 18,353,774          | 550,613          |
| 8. The 3 per cents. 1726  | - 1,000,000           | 30,000           |
|   | <u>£. 122,963,244</u> | <u>3,901,263</u> |

## 2. TEMPORARY ANNUITIES.

|  |              |                |           |
|--|--------------|----------------|-----------|
| 9. Bank long annuities, for 99 years from 1761 | £. 6,702,750 | 9,379,807      | 467,560   |
| 10. Exchequer long annuities                   | 1,836,276    |                |           |
| 11. Various life annuities                     | 840,781      | £. 132,343,051 | 4,368,821 |

## 3. UNFUNDED DEBT.

|  |                       |                  |
|--|-----------------------|------------------|
| 12. Exchequer bills, £. 1,250,000, Navy debt, £. 1,850,000, Civil List debt, £. 500,000, the interest at 3 per cent. | - 3,600,000           | 108,000          |
| Total debt at Midsummer 1775   | <u>£. 135,943,051</u> | <u>4,476,821</u> |

|                              | <i>Principal.</i>    | <i>Interest.</i> |
|------------------------------|----------------------|------------------|
| Debt, anno 1762              | £. 146,682,844       | 4,840,821        |
| Debt, anno 1775              | <u>135,943,051</u>   | <u>4,476,821</u> |
| Diminished, during the peace | <u>£. 10,739,793</u> | <u>364,000</u>   |

\* Traacts on Civil Liberty, p. 119. Of this boasted diminution, one half did not arise from the surplus of the revenue.

H H 3

Thus



would have been  
the year 1775,  
colonial confeder-  
ated a quarrel  
not look its danger  
and pursue great  
action, when in its  
the bitter conse-  
quence.

The sources of  
America, and the  
companies, are  
well known, to re-  
lated in this work ;  
the perusal of them,  
happiness and prosper-  
ity, following statement  
current, in consequence  
deemed sufficient.

## GENERAL VIEW of the DEBT incurred to defray the Expenses of the American War.

| Year.   | Money received. | Stock given.  | Annual interest. | Nature of the Stock.                            | Additional Capital. | Premium per 100l.                |
|---|-----------------|---------------|------------------|---|---------------------|----------------------------------|
| 1776  | £ 2,000,000     | £ 2,150,000   | £ 64,500         | 3 per cents                                     | £ 150,000           | 10 lb. short annuities.          |
| 1777  | 5,000,000       | 5,000,000     | 225,000          | 4 per cents                                     | —                   | 2 1/2 per cent. for 30 years.    |
| 1778  | 6,000,000       | 6,000,000     | 330,000          | 3 per cents                                     | —                   | 3 1/2 for 29 years, or for life. |
| 1779  | 7,000,000       | 7,000,000     | 472,500          | 3 per cents                                     | —                   | £ 1 : 16 : 3 for 80 years.       |
| 1780  | 12,000,000      | 12,000,000    | 697,500          | 4 per cents                                     | —                   | —                                |
| 1781  | 12,000,000      | 21,000,000    | 660,000          | 18,000,000 3 per cents<br>3,000,000 4 per cents | 9,000,000           | —                                |
| 1782  | 13,500,000      | 20,250,000    | 793,125          | 13,500,000 3 per cents<br>6,750,000 4 per cents | 6,750,000           | 17 s. 6 d. for 78 years.         |
| 1783  | 12,000,000      | 15,000,000    | 560,000          | 12,000,000 3 per cents<br>3,000,000 4 per cents | 3,000,000           | 13 s. 4 d. for 77 years.         |
| 1784  | 6,000,000       | 10,000,000    | 316,500          | 6,000,000 3 per cents<br>3,000,000 4 per cents  | 3,000,000           | 5 s. 6 d. for 75 1/2 years.      |
| Navy bills, &c. funded anno 1784, at 5 per cent., at the rate of £. 107 : 10 : 6 in stock per £. 100. |                 |               |                  |   |                     |                                  |
| Navy bills, &c. funded anno 1785, at £. 111 : 8 : 0 in stock foreign £. 100 in money                  |                 |               |                  |   |                     |                                  |
| Unfunded debt now remaining, in addition to the unfunded debt of 1755, at 3 per cent.                 |                 |               |                  |   |                     |                                  |
| Debt contracted during the last war   | 97,855,324      | £ 121,269,992 | 5,192,614        | —   | —                   | —                                |
| Debt anno 1775  |                 |               |                  |   |                     |                                  |
| Debt incurred during the American war   |                 |               |                  |   |                     |                                  |
|   |                 |               | £ 135,943,051    |   | 4,476,821           |                                  |
|   |                 |               | 121,269,992      |   | 5,192,614           |                                  |
|   |                 |               | Total            | £ 257,213,043                                   | £ 9,669,435         |                                  |

But from these sums the principal sum or value of the temporary annuities, in 1775, and 1 per cent. of the interest of the 4 per cents, reduced to 3 per cent. in January 1783, must be deducted.

| Year.  | Sum received on Loans. | Capital Stated on |
|--|------------------------|-------------------|
| 1793   | 4,500,000              | 6,250             |
| 1794   | 11,000,000             | 13,750            |
| 1795   | 18,000,000             | 24,000            |
| 1796   | 25,500,000             | 36,855            |
| 1797   | 32,500,000             | 48,399            |
| 1798   | 17,000,000             | 34,000            |
| 1799   | 18,500,000             | 32,749            |
| 1800   | 20,500,000             | 32,185            |
| 1801   | 28,000,000             | 49,210            |
| Add on acc <sup>t</sup> of Navy bills, &c. funded    |                        |                   |
| £. 175,5000,00                                       |                        | 277,403,          |
| 20,654,294   |                        | 29,563,           |
| Total Bank of England for the renewal of its charter |                        |                   |
| 196,154,294  |                        | 306,967,          |
| Imperial loans 3,000,000                             |                        | 3,000,0           |
| 6,222,000  |                        | 7,502,6           |
| Total Difference between the unfunded debt           |                        |                   |
| 205,376,294  |                        | 317,469,6         |

Of the above sum, £.11,000,000, in money, with a capital of £.19,708,750, was for the service of Ireland, but neither of those sums, nor the Imperial loans, ought to be deducted, being borrowed for carrying on the war.

*Rise and  
Progress of  
our present  
National  
Debts.*

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On the whole, it would appear, that deducting the stock purchased by the Commissioners, we have already added to the capital of our national debt, in the course of the present war, above £.327,000,000 and that £.215,000,000 has been actually received in money by the British ministers; a sum so great, that it baffles imagination how it could possibly have been raised, and, when raised, how it possibly could have been expended. That, however, will be the subject of future inquiry, and indeed cannot be well ascertained, till the war is brought to a conclusion. It is to be hoped however, that so enormous a sum, will not have been expended, without securing some objects, that may be considered essentially beneficial, to the substantial interests of the Empire.

We shall now proceed to give a short view of the progress of the public debts, from their commencement to the present time.

## PROGRESS

## C H A P. V.

*Of the Steps hitherto taken to diminish the Capital, and to reduce the Interest of the National Debt, with some Account of the different Plans suggested for that Purpose.*

Steps taken  
to diminish  
the National  
Debt, &c.

ANY person, unacquainted with the history of England, who was told, that in less than a century, it had involved itself in a debt of above £. 500,000,000, would naturally enquire, whether any steps had ever been taken to prevent so immense an accumulation. He would be apt to ask—Were there no generous patriots to warn the nation of its danger? Were there no ministers, who had either wisdom to apply a remedy, or magnanimity to check this cancerous humour<sup>a</sup>, before it grew to such a height; or were the people so selfish and interested, that they would not bear the smallest additional burden for the sake of their posterity?

To satisfy the curiosity of those, who may be desirous of knowing, what measures were pursued, for discharging the capital, or reducing the interest of our national incumbrances, is the object of the present chapter.

King  
William.

From the preceding part of this work, it appears, that, during the reign of William, our perpetual

<sup>a</sup> Bolingbroke, vol. iv. p. 130.

funded incumbrances, did not amount to four millions ; and as the remaining burdens of the country, at that time, either consisted of long annuities, (which would be annihilated in the course of time), or of loans upon funds which yielded so great a surplus, after defraying their respective interests, that they were likely soon to be paid off, it was the less necessary to form any plan for a more speedy redemption : the only reduction, therefore, attempted during that whole period, was that of annihilating, by act of parliament, one half of the capital, and of the annual interest of the bankers debt, which Charles II. had left behind him.

*Steps taken  
to diminish  
the National  
Debt, &c.*

The great addition to our national incumbrances, *Queen Anne.* which took place in the reign of Queen Anne, not a little alarmed the public. Proposals were made for raising between two and three millions *per annum*, to be applied as a sinking fund to pay them off<sup>b</sup>: and one member in the house of commons (Archibald Hutcheson) thought it incumbent on him, to point out the destructive consequences of our public debts, and to suggest the means that might be taken for their redemption. But the attention of ministers was taken up, with matters which they considered to be of much greater importance, namely, in political intrigues for preserving their own power, and securing a successor to

<sup>b</sup> See Proposals for a very easy Tax, to raise between two and three millions *per annum*, to begin to pay the Public Debts ; by Ephraim Parker. London, printed *anno* 1713. It was by a tax upon the linen, woollen, and silk manufactures.

the

*Steps taken  
to diminish  
the National  
Debt, &c.*

the crown, on the enjoyment of whose confidence they might fully depend; consequently no steps were taken for that purpose.

**George I.**

Soon after the accession of the present royal family, Mr. Hutcheson presented to George I. his famous plan for the payment of the public debts, which, as it is drawn up with great conciseness, and with much ability, is well entitled to insertion in a history of our finances.

### A Proposal for the Payment of the Public Debts.

1. That the sums severally assessed on the lands of Great Britain for the land-tax of the year 1713, be made payable as a rent charge in fee for ever, out of the said several respective lands, redeemable, notwithstanding, at any time, by the proprietors paying twenty-two years purchase for the same<sup>c</sup>.

2. That the said rents, or the money raised by redemption or assignments of the same, be applied towards the discharge of the public debts.

3. That one tenth part of all annuities for life, or other estate; and all other rents issuing out of the aforesaid lands, and of all sums of money secured by mortgage, and of all other debts which affect lands, be entirely remitted to their respective proprietors.

<sup>c</sup> This part of the plan is similar to the modern system of redeeming the land-tax.

4. That

4. That the proprietors of such lands be empowered, notwithstanding any disability by settlements, to sell so much of the said lands as shall be sufficient to redeem the aforesaid respective rent-charges.

*Steps taken  
to diminish  
the National  
Debt, &c.*

5. That one tenth part of all the debts secured by the public funds, be remitted.

6. That one tenth part of all the other nett personal estate of all the inhabitants of Great Britain, exclusive of the aforesaid debts which affect lands and public funds, be applied to the payment of the public debts.

7. That two shillings in the pound, be made payable yearly, out of the salaries and perquisites of all offices and places which are now in being, or shall at any time hereafter be created, and to remain during the continuance of such offices and places respectively.

8. That the legal interest be reduced to 4 *per cent. per annum.*

9. That, for the effectual securing of the payment of such public debts, for which there either is at present no provision, or the provision made by Parliament appears to be deficient, that all funds granted for any term of years, be made perpetual, until the principal and interest of all the said public debts be fully paid off; and that the interest of such public debts, as at present have defective or no securities, be paid out of the yearly produce of the said funds, and that the remainder only of such produce, over and



It is unnecessary to tr  
observations upon a pr  
many useful hints, and  
with some alterations, n  
these times. Notwith  
the present load, were it  
public to the several inc  
portions, the burden wo  
parifon of what it is ; a  
years, the whole would b  
propofes, it is true, an at  
nature ; but if it came re  
able committee of the ho  
yet meet with a favou  
public. It is a matter a  
with the utmoft propriety  
are in power, and thofe w  
by the public in general :  
individual in the country,  
be, who is not materially :  
the nation is loaded and

piners will not, in future, depend upon the steps that are taken in regard to these incumbrances.

*Steps taken  
to diminish  
the National  
Debt, &c.*

Nor was Hutcheson the only person, during this reign, who suggested the necessity of adopting effectual measures for diminishing the national debts.

In the year 1715, Mr. Apgill published his plan, for the more speedy redemption of all the perpetual funds, excepting the original stock of the Bank of England\*. His idea was, that two millions should be raised in specie, and deposited in a bank, to support the circulation of twenty millions of Exchequer bills, bearing an interest of 3 *per cent.*, with which all the redeemable debts were to be paid off. As an annual interest, amounting to £.1,182,454 : 10 : 5 was then paid for these redeemable debts, and as the interest of the two millions to be borrowed at 6 *per cent.*, and of twenty millions of Exchequer bills, at 3 *per cent.*, amounted only to £.720,000, it is evident that the public would thus have acquired a sinking fund of £.462,454 : 10 : 5. It is said, that the Bank, notwithstanding the variety of difficulties it had to struggle with in the infancy of public credit, and of paper currency, and the situation of public affairs at the time, was able to support a circulation of £.1,200,000, by means of £.300,000, which it had called in from the proprietors. Mr. Apgill, therefore, computed, that two millions would be sufficient to maintain the credit of twenty millions

*Mr. Apgill's  
plan.*

\* Abstract of the public funds, printed for J. Roberts. An. 1715.

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only possible advantage which this plan afforded, was that of reducing the interest of the funds 1 *per cent.* when the creditor chose to convert his stock into notes, which would not probably be done to any great extent; and yet the author flattered himself, that he had pointed out treasures, more valuable than the mines of Peru,, and suggested the means of rendering this country, by a single stroke of finance, the most powerful in the universe<sup>2</sup>.

*Steps taken  
to diminish  
the National  
Debt, &c.*

Having thus seen the various plans that were proposed, let us next consider what measures were really adopted.

The first step that was taken for relieving the nation, undoubtedly was, that important regulation, by which legal interest was reduced from 6 to 5 *per cent.* On the 18th of June 1714, a member of the House, whose name is not known, had proposed to reduce the interest of the public funds; but it was dropped, no person having seconded the motion; on the contrary, Mr. Hutcheson, and other members, were ordered to prepare and bring in a bill, for reducing the rate of interest, without prejudice to parliamentary securities<sup>3</sup>. We are much in the dark, as to the grounds on which it proceeded. It appears, however, that so large a sum as £.20,000 had been lent at only 4 *per cent.* on private se-

*The rate of  
legal interest  
on private  
securities  
lowered.*

<sup>2</sup> See An Expedient to pay the Public Debts, by Stephen Barbier, Gentleman, printed anno 1719 As George I. was not very conversant in the English language, it was printed both in French and English.

<sup>3</sup> Comm. Journ. vol. xvii. p. 689.

*Steps taken  
to diminish  
the National  
Debt, &c.*

curity<sup>1</sup>; and consequently there could hardly be any well-founded objection on the part of the monied interest, to the law being enacted.

*Reduction  
of the inter-  
est of the  
public debts.*

The reduction of the interest of the public debts, though not the avowed, yet was the necessary consequence, of the legal rate on private securities being thus diminished. Government began immediately to borrow money upon lower terms. Of this, a singular instance occurs *anno* 1715. By an act that passed that year, £.54,600 *per annum*, was set apart, as the interest that must be provided for in consequence of a loan of £.910,000, proposed to be raised at that time. But as it was afterwards found, that money could be procured at 5 *per cent.*; another act was passed that very session, by which the annuity was reduced to £.45,500 *per annum*<sup>2</sup>. When new loans were thus raised at 5 *per cent.*, no good reason could be assigned why the old debts, redeemable by Parliament, should remain at six.

*Origin of  
the Sinking  
Fund.*

The merit of establishing a Sinking Fund in this country, has, in general, been ascribed to Sir Robert Walpole, but erroneously; for other funds of the same nature had previously existed, and in particular, the surplus of the aggregate fund had been dedicated to purposes exactly similar<sup>1</sup>. But he, as chancellor of the exchequer, had the charge of the first important operation of that nature, and undoubtedly managed it with great dexterity and judgment. For he not only prevailed upon the Bank,

<sup>1</sup> See Chandler's Debates of the Commons, vol. vi. p. 131.

<sup>2</sup> 1 Geo. I. sess. 2. cap. 19.

<sup>1</sup> Ibid. cap. 12.

and

and the South Sea Company, to make a considerable reduction in the interest they received from the public, but also voluntarily to offer £5,500,000 to government, if it should be necessary, to be applied for paying off the redeemable debts of such creditors as were unwilling to accept of 5 *per cent.* for their principal<sup>m</sup>. Such an advance however was not necessary; and the advantage which the public received from this reduction, will appear from the following statement:

*Steps taken  
to diminish  
the National  
Debt, &c.*

STATE of the REDUCTION of the INTEREST on  
the PUBLIC FUNDS, *Anno 1716.*

|   | Principal.        | Interest.        | Reduced.       |
|---|-------------------|------------------|----------------|
| 1. To exchequer bills cancelled by the Bank, <i>anno 1710</i>   | £ 1,775,027 7 10½ | 106,501 14 5     | 38,751 7 10½   |
| 2. To sundry other exchequer bills due to the Bank, being originally at the rate of £7 : 4 : ½ Interest | 4,561,025, 0 0    | 328,561 15 6     | 215,779 13 5   |
| 3. To the South Sea capital   | 10,000,000 0 0    | 600,000 0 0      | 500,000 0 0    |
| 4. To other redeemable debts, reduced to 5 from 6 <i>per cent.</i> <sup>n</sup>                         | 9,392,311 4 2½    | 563,538 13 5½    | 469,615 11 2½  |
|   | £ 25,728,364 2 1  | 1,598,602 3 4½   | 1,274,146 12 6 |
|   |                   | £ 1,274,146 12 6 |                |
| Total annual surplus  |                   | £ 324,455 10 10½ |                |

<sup>m</sup> A reduction of interest was, at that time, not unpopular even among the creditors; at least, it is said, that old Bateman (a great stockholder) told Lord Stanhope, that he was glad the resolutions had been taken; because, though his interest was diminished, he should think his principal more secure than ever. Bolingbroke's Works, vol. iv. p. 150.

<sup>n</sup> There was afterwards added to this sum £.140,844 : 6 : 5½ of interest, converted into capital. See Fosbrough, p. 252.

plan of one minister in  
this important regulation  
the bill that was brought  
ever, was supplied by  
mittee, by which the  
that the surpluses of the  
strictly appropriated to  
tional debts; and the  
following memorable clause  
“ enacted, that all the  
“ time, as well of the  
“ made this session, for  
“ the Bank of England  
“ surplus, by virtue of  
“ wise this session, for  
“ South Sea Company,  
“ plus of the duties and  
“ appropriated as aforesaid  
“ of the said general  
“ blished, shall be appro

“ the principal and interest of such national debts  
 “ as were incurred before the 25th of December  
 “ 1716, and are declared to be national debts,  
 “ and are provided for by parliament, in such  
 “ manner as shall be directed by any future act  
 “ or acts of parliament, to be discharged there-  
 “ with, or out of the same, *and to or for none  
 “ other use, intent, or purpose whatsoever.*”

*Steps taken  
 to diminish  
 the National  
 Debt, &c.*

These surpluses have ever since been known under the name of *The Sinking Fund*; and if, in addition to them, new taxes to the amount of half a million *per annum* had been imposed at the same time, and if the whole had been invariably appropriated to the purposes above mentioned, the progress that would have been made in discharging our public incumbrances, would have been rapid indeed.

The debts of the nation, at the accession of the present royal family, consisted either of *redeemable* annuities, which could at any time be paid off by parliament, whenever money could be procured for that purpose, or of certain annuities for life, or for term of years, which might be called *irredeemable*, as they could not be discharged without the consent of the proprietors. It has been already seen that the former had undergone a very considerable reduction in point of annual interest; and it was always in the power of the public, to take advantage of its increasing wealth and credit, to reduce them still lower. But the

*Origin of  
 the South  
 Sea scheme*



subscribe the residue  
eleven and one half  
Sea stock, and were  
principal. In consequence  
and of an additional  
of 10½ the capital  
increased to £. 11,74

The success with  
tended, induced the  
November 1719, to  
then first Lord of the  
"advancing the public  
"reduction of the interest  
"the nation to 4 per  
"of seven years, from  
"for rendering it practicable  
"even sink the most  
"reduce the several taxes  
"excise, into one entire  
went considerable alterations  
the observation

Aislabe, then chancellor of the exchequer; and it was particularly insisted upon, that the company should advance to the public no less a sum than £.3,500,000 for the liberty of enlarging their stock, in the manner that had been proposed. This proposal was unfortunately acceded to. I say unfortunately; for the higher the public raised its demands, the less prospect there was of the plan proving successful.

*Steps taken  
to diminish  
the National  
Debt, &c.*

When the South Sea scheme, thus altered, was presented to parliament, the national debt stood nearly as follows :

|  |               |
|--|---------------|
| 1. Due to the Bank, being their original fund  | £. 1,600,000  |
| 2. Redeemable annuities due ditto -  | 3,775,000     |
|  | <hr/>         |
|  | 5,375,000     |
| 3. East India Company's capital -  | 3,200,000     |
|  | <hr/>         |
|  | 8,575,000     |
| 4. The South Sea capital - -   | 11,746,844    |
|  | <hr/>         |
|  | 20,321,844    |
| 5. To all the other public debts and annuities<br>proposed to be taken in by the South Sea Com-<br>pany, and computed at - - | 30,981,712    |
|  | <hr/>         |
|  | 51,303,556    |
| 6. To be paid by the South Sea Company, for<br>reducing the national debt - -  | 3,500,000     |
|  | <hr/>         |
|  | £. 47,803,556 |

In addition to this reduction of the principal, the plan, in process of time, would have produced a sinking fund, which, when added to the former surpluses,

3. To the reduction of interest upon the Company's original redeemable annuities, and their stock, which reduction at Midsummer 1727

4. The Sinking Fund then proposed  
To

Thus, *anno* 1727, £.1,200,000 was provided for the reduction of the national debt of the nation would have been insufficient, had it been intended

Perversion  
of the South  
Sea scheme.

It is necessary to attend to the distinction, between the Scheme originally formed, and as it is now. The original plan was, to provide for the redeemable creditors, to the amount of £.667,705 annuities, which did not

other funds was reduced. No effectual measures could be taken for lessening the public debts, whilst these annuities remained irredeemable. It was an object, therefore, of the utmost consequence to the public. But unfortunately, other advantages were expected, which, it was imagined, a competition between the Bank and the South Sea Company, would not a little promote.

*Steps taken  
to diminish  
the National  
Debt, &c.*

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It is said, that, at first, the Bank discouraged all ideas of that nature. But afterwards being chagrined, that an upstart Company, should thus propose a plan so likely to prove beneficial, they were induced to give in proposals, by which they offered no less a sum than £.5,500,000 for the same privilege which the South Sea Company were to have acquired; and it was represented on their behalf, that if any advantage was to be obtained by a bargain with the public, considering the many great and eminent services which their corporation had done to government, in the most difficult times, they flattered themselves that they ought to be preferred. The South Sea Company were so much irritated by this opposition, that at a general court, they instructed their directors, not to lose the scheme *cost what it would*; and accordingly, they offered proposals, securing a profit of £.4,667,000 to the public; and by which, if all the redeemable annuities were subscribed, the enormous sum of £.7,567,500 would be gained\*. Terms so ad-

\* See the proposal, Comm. Journ. vol. xix. p 246. The proposals given in by the Bank, may be seen in the Historical Register for the year 1720, p. 31. and 38.

vantagous

monied by those who  
hence, " The imag  
" easily heated, and  
" ideas of *inconceivable*  
" away all reason, an  
" to humour'."

The profits of the  
arise, 1. From the i  
from the public on the  
tinue at 5 *per cent.* fi  
advantages of their t  
From a monopoly of  
property of Nova Sc  
island of St. Kitt's w  
French. But in the f  
with the Bank, they l  
give up these latter  
trusting to the promise  
should afterwards be p

dilemma to which the company was reduced, from these circumstances, that nothing but taking advantage of the blindness and insatiation of the people, and of that phrenzy of avaricious enterprise in pecuniary speculations, which prevailed at that time, could give them any prospect of fulfilling their engagements with the public. Accordingly, a variety of infamous artifices were put in practice, to enhance the value of their stock; imaginary advantages were held forth; a thousand groundless reports were circulated, with regard to acquisitions in the South Seas, &c. &c.; and dividends were voted, which the directors very well knew could never be paid, and for which there was no solid foundation.

*Steps taken  
to diminish  
the National  
Debt, &c.*

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The steps that were taken for the relief of those individuals, who suffered by these transactions, and for the punishment of the directors, and their associates in guilt, is not within the object of this work to relate. It is proper, however, to state the advantages which the nation reaped. At first, an act was passed, by which, (in full for the claims which the public had upon the company), two millions of its capital were sunk. These two millions, however, were afterwards revived, together with the annuity attending the same\*. But the public, in the first place, received this advantage, that £.535,362 : 15 : 7½ of long annuities, and £.97,335 : 5 of short annuities, making in all, £.632,698 : 0

\* 6 Geo. I. cap. 6.

Company.

1. By one *per cent.* on £. 13,0  
Sea capital, reduced by the  
summer 1727, from 5 to 4
2. By one *per cent.* on the So  
the principal being £. 16,90
3. By one *per cent.* on £. 4,00  
of the South Sea Company  
England

This annual saving, ca  
chase, yielded a profit to t  
a small sum compared to  
this measure might hav  
much greater than what i

Advantages which have acc  
ecution of the South Sea Sche  
It may be said, that by 11 Dec  
10 was reduced to the sum of

The great object which ministers seem to have had in view, since the commencement of our public debts, was not to discharge the principal, but to diminish the interest, so as to render their administration as little burdensome to the people, and consequently as popular as possible. Notwithstanding principles of a nature so very unfavourable to the existence of a sinking fund; yet during the whole reign of George I. it was invariably appropriated to the purposes for which it had been formed; and, rather than encroach upon it, money was borrowed upon new taxes, when the supplies in general might have been raised, by dedicating the surplusses of the old taxes to the current services of the year<sup>2</sup>. Little progress, however, was made discharging the public debts; for at the same instant that old incumbrances were thus paid off, new debts were contracted. The sinking fund also, until the five *per cents.* were reduced to four, in the year 1727, hardly amounted to £.600,000 *per annum*; and in the infancy of such a fund, its operations are very limited and confined. It appears, however, from the famous representation of the Commons, on the progress made in discharging the national debt, voted the 8th, and presented to his Majesty the 11th of April 1728, that the sum of £.2,698,416 had been paid off, between the 16th December 1716, and the date of their resolution<sup>2</sup>.

*Steps taken  
to diminish  
the National  
Debt, &c.*

*Progress of  
the sinking  
fund during  
this reign.*

<sup>2</sup> Price's Appeal on the National Debt, edit. 1762. p. 29. note B.

<sup>2</sup> Comm. Journ. vol. xxi. p. 81.



the fund was originally  
nothing can be stronger  
than the words of the  
early when joined to  
and the addresses of  
It is well known also,  
able and intelligent  
ministry at the time,  
formance, to prove th  
to refute all apprehen  
perverted<sup>d</sup>. The fact

<sup>b</sup> Considerations concerning  
printed *anno* 1735, p. 13.  
the proposal given by the Bar  
Regist. *anno* 1717, p. 208.

<sup>c</sup> See extracts of the speech  
peal, p. 26. Note A.

<sup>d</sup> Essay on the Public Debt  
written by Sir Nathaniel Gould  
reprinted for B. White. Folio

first it was supposed equally for the advantage of the creditor and the public, that it should be thus invariably applied. But when it was no longer insisted upon by the creditor, and when the competition came to be, not who should be *first*, but who should be *last* paid, it was easy to foresee, that the sinking fund would soon be alienated, unless protected from the rapacity of ministers, by stricter regulations than had as yet been enacted.

*Steps taken  
to diminish  
the National  
Debt, &c.*

The first encroachment may be traced to the year 1728-9°. It was necessary to raise £. 1,250,000 for the current service of the year; and the ministers boasted, that such was the flourishing condition of the sinking fund, that it was very well able to pay the interest of that sum, and that there was no occasion to impose any new taxes upon the people. In vain did a member of the house move, that the supplies should be raised, without creating a new debt upon any existing fund<sup>f</sup>. The motion passed in the negative without any division, and is stigmatised as having been made, merely with a view of distressing government. So little was the public at large supposed to be interested in this important transaction.

*Perversion  
of the sink-  
ing fund.*

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printed for R. Franklin, in the same year. Sir Nathaniel supported his former opinions in a paper, entitled, A Defence of the Essay, &c. printed for J. Peele, anno 1727.

\* By 2 Geo. II. cap. 3.—Mr. Pulteney says, that the first encroachment made upon this fund, was by an increase of the civil list; and the second, by taking off the salt duty. See Chandler's Debates, vol. vii. p. 228. But these were rather circuitous than direct encroachments.

<sup>f</sup> Comm. Journ. vol. xxi. p. 206.

been; but the final  
place *anno* 1732-3.  
year had been reduced  
and the minister, (Sir  
means rendered himself  
interest, that he was  
the same unfortunate  
power, at the expense  
ingly he moved, that  
tinued at one shilling  
£. 500,000 should be  
fund, and applied to  
year<sup>a</sup>.

It is to the credit of  
sure proposed, met with  
houses: but it is unnecessary  
culars of debates, which  
obtain, and peruse<sup>1</sup>.

<sup>s</sup> 4 Geo. II. cap. 9.

<sup>a</sup> Comm. Journ. vol. viii.

(as Dr. Price observes,) not accustomed to refuse the minister any thing, agreed to the proposal; " and thus expired, after an existence of about " eleven years, the sinking fund, that sacred blessing—once the nation's only hope—prematurely " and cruelly destroyed by its own parent. Could " it have escaped the hands of violence, it would " have made us the envy and the terror of the " world, by leaving us at this time, not only tax-free, but in possession of a treasure, greater perhaps than ever was enjoyed by any kingdom \*. This learned and respectable author, has perhaps carried his enthusiasm too far, with regard to the advantages resulting from an invariable appropriation of this fund; but he speaks with that honest warmth, which every real patriot feels, in a matter so interesting to the public.

*Steps taken  
to diminish  
the National  
Debt, &c.*

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It is unnecessary to inquire very minutely, into the application of the sinking fund, after it was thus fatally perverted; for though it has been occasionally applied for discharging some part of our incumbrances, yet it has been much oftener expended in the current services of the year, and consequently has not been productive of any material advantage; on the contrary, has loaded the public with a heavy burden, to encourage the profusion of ministers, and to discourage, so far as a weight of taxes is able to do it, the general industry of the people.

\* Appeal on the National Debt, p. 38.

*Steps taken  
to diminish  
the National  
Debt, &c.*

*Rejecting of  
the plan for  
reducing the  
interest of  
the public  
funds, An.  
1737.*

Sir Robert Walpole, was not only the person, by whose means the sinking fund was perverted, but he also exerted his abilities and influence in parliament, to prevent the reduction of a considerable part of the public debt, from 4 to 3 *per cent.*, which might have been easily effected in the year 1737. The 3 *per cents.* at that time, bore a premium at the market; consequently, there could have been no difficulty, in procuring money at that rate, to pay off such of the creditors as were unwilling to agree to the reduction. But the measure being suggested by that inflexible patriot Sir John Barnard, who was generally in opposition to the minister, the whole power of government was exerted, to deprive him of the just applause he would have acquired, by bringing such a measure to bear. The motions, however, which were made, "that all the public funds, redeemable by law, carrying interest at four, should, with the consent of the proprietors, be reduced to three *per cent.*;" and "that his majesty should be enabled to borrow, any sum of money that might be necessary, for redeeming the debts of those who refused to consent to the reduction;" were voted, after some opposition. But the bill that was drawn up, in consequence of these resolutions, was not even sent to a committee<sup>1</sup>. It is astonishing what absurd arguments

<sup>1</sup> Comm. Journ. xxii. p. 834. The division was 222 in favour of the first motion, and 157 against it. But the second division was very opposite to the first; 249 being against the bill,

arguments were made use of, to prevent this proposal passing into a law. It was urged, that such a reduction, instead of tending to increase our trade, and to improve the landed property of the nation, would probably contribute to the ruin of both. The pitiable case of widows and orphans, whose income would be thus diminished, was loudly deplored; and in particular, it was asserted, that it would prove destructive and ruinous to the capital, in whose neighbourhood the greater part of the stock-holders and annuitants could no longer afford to live, but would be obliged to retire to remote and cheap districts in the country. It was also contended, that the scheme was impracticable, though a similar one had been carried into effect *anno* 1716, and was afterwards put in practice under Mr. Pelham's administration. It is difficult to estimate the loss, which the public sustained, in consequence of this proposal having been rejected. The capital of the South Sea company, at Christmas 1738, when the reduction would have taken place, amounted to £.27,300,000; one *per cent.* on which was £.273,000 *per annum.* It continued at four *per cent.* till December 1750, and at three one-half *per cent.* until December 1757. The difference of interest which the public paid in the interval, amounted to four millions and a half; and when it

*Steps taken  
to diminish  
the National  
Debt, &c.*

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bill, and 134 only for it. This proves how efficaciously the minister had made use of his influence to overturn the plan. Ditto, p. 368.

the best and wisest  
was actually carried  
course of the Spani  
an addition of above  
to the national debt.  
financial operation is

In the session of p  
vember 1748, Mr.  
exchequer, publicly  
bracing the first favo  
offer, to reduce the  
greatest part of the  
measure was afterwa  
sideration of parliam  
throne, on the 16th  
were interested in the  
of the intentions of  
holder was put on the  
unfair advantage coul  
vidual.

The four

|  |               |   |    |   |
|--|---------------|---|----|---|
| 1. Due to the Bank of England                                | £. 8,486,800  | 0 | 0  | <i>Steps taken<br/>to diminish<br/>the National<br/>Debt, &amp;c.</i> |
| 2. Due to the South Sea Company                              | 27,302,203    | 5 | 6  |   |
| 3. Due to the East India Company                             | 3,200,000     | 0 | 0  |   |
| 4. Annuities transferrable at the Bank of England            | 18,402,472    | 0 | 10 |   |
| 5. Annuities on the plate act, transferable at the Exchequer | 312,000       | 0 | 0  |   |
|  | £. 57,703,475 | 6 | 4  |   |

The first resolution of the House of Commons, in regard to this reduction, passed on the 29th of November 1749. The purport of it was, that such public creditors as received an interest of 4 *per cent.* upon their capital, redeemable by parliament, who would signify, on or before the 28th of February 1749-50, their acceptance of 3 *per cent.* interest from December 1757, should have their debts made irredeemable until that period, and should receive in the interval, 4 *per cent.* interest till December 1750, and three one half *per cent.* from that time until the whole reduction took place. It met with no opposition; and the commissioners and officers of the Treasury, and Sir John Barnard, the original proposer, were ordered to bring in the bill.

Every person must perceive, that to discharge so immense a capital at once, was totally impracticable. Yet such was the influx of money into this country, and the high credit which it then enjoyed, that new loans could have been obtained at 3 *per cent.* to pay off some part of the creditors; and as

K K 4

money



cent. for their money,  
their favour. But an  
time, that the peace w  
and a variety of objec  
the part of the credito  
and others recommend  
the scheme was likely  
the stockholders having  
of the terms proposed,

It was at this crisis (t  
Sir John Barnard wro  
“ tions on the Proposal  
“ the National Debt”  
clearly, the general utili  
advantages which it wou

“ Printed by J. Osborn, an  
tinction between a public and  
“ The latter (he says) has a  
“ he wants it, which the cre  
P. 7. He was also the autho:

themselves, that, before the 28th of February, about forty millions were subscribed.

*Steps taken  
to diminish  
the National  
Debt, &c.*

Little difficulty would have been found, to procure money for paying off, in the space of a few years, those annuities which remained unsubscribed. It was therefore resolved, to punish such as showed a disposition, by their tardy acceptance, to defeat so beneficial a proposal to themselves and the public. Accordingly, a bill was brought in, by which the second subscribers were reduced from  $3\frac{1}{2}$  to 3 *per cent.* at December 1755; two years sooner than those proprietors who had signified their assent to the original proposal. Above eight millions, exclusive of the India and South Sea stock<sup>a</sup>, were subscribed on these reduced terms; and the remainder, amounting to three millions and a half, was paid off by new loans at 3 *per cent.*, and by the produce of the sinking fund. “Thus, (says an “intelligent writer), these acts were passed, which “received their currency from the fair character, “both for knowledge and integrity, of that distinguished patriot Sir John Barnard, whose concurrence with the ministry, procured such a “quick passage through the House to the laws “themselves, and whose judgment, in matters “of that nature, has for many years had such “weight with the public, that the success of

<sup>a</sup> The South Sea Company, however, received (in consequence of 24 Geo. II. cap. 11.) interest upon their capital of £. 3,663,784 : 8 : 6 $\frac{1}{2}$  at the rate of 4 *per cent.* until the 25th December 1757.

“ the

taken  
minis-  
tration  
, &c.

“ the measure much depended upon his assist-  
“ ance.”

The nature of this great operation, will appear  
in one view from the following statement.

|                        | 1. Subscription.    | 2. Subscription<br>and posterior acts. | Unsubscribed.  |
|------------------------|---------------------|--|----------------|
| Bank Stock             | £. 8,486,800 0 0    | — — —                                  | — — —          |
| East India Stock       | — — —               | 3,200,000 0 0                          | — — —          |
| South Sea Stock        | — — —               | 3,662,784 8 6½                         | — — —          |
| South Sea Annuities    | 15,115,740 5 0      | 6,026,785 0 5                          | 2,176,893 11 7 |
| Bank annuities         | 14,857,455 18 4     | 2,714,117 18 0                         | 830,898 4 6    |
| Annuities on the plate | — — —               | — — —                                  | — — —          |
| act                    | 126,500 0 0         | 3,230 0 0                              | 182,210 0 0    |
| Subscription           | £. 38,806,496 3 4   | 15,606,937 6 11½                       | 3,290,041 16 1 |
| and ditto              | 15,606,937 6 11½    | — — —                                  | — — —          |
|                        | £. 54,413,433 10 3½ | — — —                                  | — — —          |
| Unsubscribed           | 3,290,041 16 1      | — — —                                  | — — —          |
|                        | £. 57,703,475 6 4½  | — — —                                  | — — —          |

As this was the last important reduction that took  
place, it may not be improper, to give a general

Brought forward, £. 324,455 10 10½ *Steps taken  
to diminish  
the National  
Debt, &c.*

## 2. REDUCTION.

- |   |         |        |      |
|---|---------|--------|------|
| 1. To the reduction, by the bargain with the South Sea Company, from 5 to 4 <i>per cent.</i> commencing Midsummer 1727  | 339,631 | 3      | 10   |
| 2. To the reduction on part of the debt due to the Bank at ditto, in consequence of a separate agreement, exclusive of the four millions purchased from the South Sea Company | -       | 37,750 | 5 6½ |

## 3. REDUCTION.

- |   |   |              |       |
|---|---|--------------|-------|
| 1. To various annuities, reduced from 4 to 3 <i>per cent.</i> at different periods, from Dec. 1750 to ditto 1757, including only the annuities subscribed, or afterwards admitted | - | 544,134      | 6 8½  |
| 2. To £. 2,100,000 borrowed at 3 <i>per cent.</i> to pay certain unsubscribed 4 <i>per cent.</i> South Sea annuities  | - | 21,000       | 0 0   |
|   |   | <hr/>        | <hr/> |
|   |   | £. 1,266,971 | 6 11½ |
|   |   | <hr/>        | <hr/> |

For the propriety of such reductions, Sir John Barnard has ably contended; nor is it possible to state the arguments in their behalf in a clearer light.

“ When the nation (he says) is under a necessity  
 “ of raising money, more than can be supplied by  
 “ taxes paid within the year, they mortgage some  
 “ particular taxes for payment of the interest of a  
 “ sum of money borrowed; and they are obliged  
 “ to give such interest and premiums, as will in-  
 “ duce people to lend their money, let the terms  
 “ be

ment of the principal  
the act provides. And  
down to redeem the  
the fund only. If the  
the debts contracted  
deemable. But the  
by what means they can  
charge of the capital;  
be borrowed, cheaper  
the public, it is incurred  
(with great deference  
the nation have a right  
make use of the opportunity  
the people in general all  
Notwithstanding such circumstances  
the important circumstances,  
that the public, by  
is above £. 1,200,000 a year  
would otherwise be, yet  
opinions are deservedly  
the nation is likely to

“ more than it has gained ;” and, indeed, is for making all future loans irreducible <sup>1</sup>.

*Steps taken  
to diminish  
the National  
Debt, &c.*

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I am ready to confess, that such reductions, joined to the inattention of our financial ministers, to every thing but providing for the present moment, regardless of the burdens of posterity, have been the means of accumulating an artificial capital to a considerable amount ; but surely that circumstance, however unfortunate, is amply compensated by an addition of £. 1,200,000 *per annum*, to our unencumbered revenue.

“ The savings produced by such reductions (we are told by the same author) being expended on current services, tempt to extravagance ; give a fallacious appearance of opulence, and by making our debts sit lighter, render us less anxious about redeeming them, and less apprehensive of danger from their increase <sup>1</sup>.” All this may be very true, yet still the gain of £. 1,200,000 *per annum*, counterbalances these evils. If it tempts to extravagance, it also furnishes the means of waste, without additional burdens upon the people ; if it makes our debts sit lighter, it prevents the industry of the people being overloaded with taxes, and enables them the better to increase the wealth

<sup>1</sup> See Dr. Price's Tracts on Civil Liberty, p. 201 and 203. The first reduction *anno* 1717, the Doctor thinks, was necessary in order to begin a sinking fund. The others, he totally disapproves.

<sup>1</sup> *Ibid.* p. 202. Also the conclusion of Sir Nathaniel Gould's Essay on the Public Debts of this Kingdom.

and

or the debts". But  
nion, that this is not  
be made of it; nay,  
" that to whatever use  
" plied, the nation m  
" part of it is appropri  
" the year, it prevent  
" new taxes; and that  
" of the intended sav  
" terminated."

Unfortunately, how  
were secured, no steps  
inviolable appropriati  
plus, for the extinction

Nor did another  
meet with a better fate

It was urged, with  
gument, that by such  
the creditor was curta  
continued the same; &  
enhance the price of e

tained, would be greatly diminished, and the nation in general would be relieved, from many of those burdensome duties which check its industry and commerce, and by which more than double the sum that is paid to the exchequer, is extracted from the pockets of the people".

*Steps taken  
to diminish  
the National  
Debt, &c.*

Every friend to the interest of this country, will regret, that one or other of these measures was not adopted. If an unalienable sinking fund had been established, it would have been fully ascertained, before this time, how far such a plan is entitled to all the praises which have been lavished on it; or if taxes to the amount of above half a million had been taken off, the effects of diminishing the burdens of the people would not have been at this hour problematical. Every difficulty with regard to the proper application, or the entire abolition of a sinking fund, would have been removed; and the steps which ought to be pursued, would have rested, not on arguments (which are too often fallacious), but on experience, which cannot err.

It would be improper to conclude this subject, without taking notice of a very important circumstance; namely, that the plan proposed in 1749, for reducing the interest of the funds, was as loudly exclaimed against, as being contrary to the faith of parliament, and likely to destroy the whole credit

\* See A dispassionate Remonstrance on the Nature and Tendency of the Laws now in force, for the Reduction of Interest, p. 23.



be alarmed by ground  
from carrying useful me-  
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Mr Hooke's  
plan.

An. 1750.

There is nothing fi-  
tance, connected with  
the reign of George II  
ticularly taken notice o-  
mirable Essay on the  
plan that he proposed t  
debt.

The debt, which t  
eighty millions, this ir-  
was not a twelfth part o-  
the annual interest of it,  
part of the national inci-  
fore, so slight an incur-  
to the national capital

consequence to the community, than was generally imagined; and the debt, he asserted, might be increased to double the sum without any real danger of a national bankruptcy<sup>7</sup>. But, as others might be of a different opinion, he added a plan well entitled to the most mature consideration.

*Steps taken  
to diminish  
the National  
Debt, &c.*

“ Let the *eighty* millions debt be divided into  
“ *eighty* equal parts of a million each, to be paid  
“ off severally, by an equal number of separate  
“ and independent classes of subscribers, whose re-  
“ spective constituents shall, in consideration of  
“ such subscriptions, be jointly and severally inte-  
“ rested in an equivalent annuity, to be granted to  
“ each class, for the term aforesaid, with benefit of  
“ survivorship.

“ Let it be enacted, then, that the interest of  
“ *one* million, at *three one-half per cent.*, be con-  
“ verted into a capital annuity of *thirty-five thou-*  
“ *sand* pounds, and granted, for *ninety-nine* years  
“ absolute, to any body or class of subscribers,  
“ who, in consideration thereof, will advance the  
“ sum of *one* million towards discharging so much  
“ of the national debt.

“ That the *one* million, so to be subscribed, be  
“ divided into *four thousand* parts or shares of *two*  
“ *hundred and fifty* pounds, and the capital annuity  
“ of *thirty-five thousand* pounds, into *four thousand*  
“ lesser annuities of *eight* pounds *fifteen* shillings

<sup>7</sup> See an Essay on the National Debt and National Capital, by Andrew Hooke, Esq. printed for W. Owen, anno 1750. p. 44.

in the said grant,  
greater number of  
the number of his ne  
number of his shares  
That, in considera  
cipal money, every  
to such annual augme  
nuities, as shall, from  
faulties of mortality a  
class; so that, before  
term, the whole cap  
thousand pounds may  
subscribers, or his or  
case shall happen, who  
shall be the last survive  
class.

That the governme  
ference to all other sub  
cipal money as shall,  
scription, be actualiv

"pendent of each other, yet that individuals may  
 "become subscribers in as many classes as they  
 "please, and their nominees in one class be nomi- *Steps taken*  
*to diminish*  
*the National*  
*Debt, &c.*  
 "nees in every other class, as they shall think fit.  
 "And lastly,

"That the government, on payment of the ca-  
 "pital annuities of *thirty-five thousand* pounds to  
 "the several classes, be absolutely discharged from  
 "all future claims of individuals, touching their  
 "respective shares, proportions, and interests,  
 "therein; and that all matters relating thereto be  
 "transacted among themselves, and determined by  
 "a court of directors, to be elected and appointed  
 "in such manner as shall be thought fit, who, by law  
 "shall be fully authorised and empowered to make  
 "the respective dividends, and, from time to time,  
 "adjust all claims thereto; subject, nevertheless,  
 "to an appeal to the Lords of the Treasury, who,  
 "in a *summary way*, shall finally hear and deter-  
 "mine the same \*."

It is in general to be remarked, on every plan  
 that has been proposed for paying off the whole  
 of the national debt, with the voluntary consent of  
 the creditors, that no one scheme will suit the ideas  
 of every individual of which that numerous body is  
 composed: Each different species of stock has its  
 respective friends and favourers. Some prefer per-  
 petual, others temporary annuities. One set of  
 men look no farther than themselves; whilst another

\* Essay, p. 46.

*s taken  
minijb  
Variational  
2 &c.*

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is anxious to secure splendour and opulence to their posterity. And in regard to Mr. Hooke's scheme, as no inconsiderable part of our public funds belongs to corporations, to whom an annuity of 99 years would in no respect be eligible, it is probable, that nothing but compulsion would induce them to agree to such a proposal.

But though it is liable to these objections, when carried to an extreme, yet, on a more limited scale, and with such alterations as would be suitable to the present state of our funds, the plan might be tried with perfect safety to the public. Though borrowing money on temporary annuities, is wretched policy in time of war, when the state is in the power of the money-lender; yet, in a time of peace, *the lender is the servant of the borrower*, and better terms may be procured. And if there were a set of men, specially appointed, for the sole purpose of

when that object was accomplished, no good reason can be assigned, why some effectual system was not pursued for bringing our finances into good order. A more favourable opportunity never existed. At first, indeed, our funds (for reasons which are stated by an excellent political author <sup>a</sup>) did not rise in the same proportion that they did after the peace of Aix la Chapelle: but wealth abounded in the country; the value of the stocks was increasing every day; and mortgages were obtained, for immense sums, on private security, at 3 and a half *per cent.* These prosperous times, however, were suffered to pass away unheeded, amidst the squabbles of party.

*Steps taken  
to diminish  
the National  
Debt, &c.*

During the former peace, £.10,739,793 of debts, funded and unfunded, were paid off<sup>b</sup>. But that reduction did not take place, from savings out of the ordinary revenues of the state: for it is calculated, by a most respectable author, that above five millions of that small diminution, arose from extraneous articles, such as the balances in the hands of different public accountants; the produce of the French prizes; compositions for French prisoners; the sum paid by the Bank for the renewal of its charter; and two millions received from the East India Company, in lieu of the claim which the public had to the territorial acquisitions, &c. &c.<sup>c</sup>

*Debt paid  
off.*

<sup>a</sup> Politic. Econ. vol. ii. p. 399.

<sup>b</sup> Dr. Price's Tracts on Civil Liberty, p. 177.

<sup>c</sup> Wealth of Nations, vol. ii. p. 555.

carried a plan for  
 wisdom and policy  
 in another part of thi  
 5.) Before however  
 conclusion, it may no  
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 sentially connected wit  
*What is the best mode  
 nue of a state?*

Two modes  
 of employ-  
 ing a surplus  
 of revenue.

There are two me  
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 debts are rendered ligh  
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1. First

Whoever

has been amassed in it, by the industry of its inhabitants. It is, however, a curious subject of political speculation, whether that wealth might not have been greatly augmented, if the surplus of its revenue, instead of being employed in diminishing its debts, had been expended in the encouragement of industry, in promoting the cultivation of the soil, and in extending commerce and navigation: if, for example, those millions which have been applied to discharge our public debts, had been dedicated to such beneficial public purposes, whether the nation would not have been, at the present moment, in a richer and more flourishing situation?

*Steps taken  
to diminish  
the National  
Debt, &c.*

The mercantile system, as it has been called, has received such a blow from the writings of a respectable modern author<sup>d</sup>, that it is with considerable diffidence, we venture to suggest the possibility of its being extended to advantage. But the happiest theory, supported by the most plausible arguments, may be invalidated by a single fact. Notwithstanding every objection which has been urged against this system, “though its mean and  
“ malignant expedients have diminished, instead  
“ of increasing, the whole quantity of manufac-  
“ turing industry maintained in Great Britain;  
“ though it discourages the improvement of land,  
“ and hurts the interest of every order in the state,  
“ to promote the little interest of one little order

<sup>d</sup> Wealth of Nations, by Dr. Adam Smith, vol. ii.

“ of



freedom of its government  
encouragements which  
legislature, and the  
to promote the industry

Among the regulations  
none seems to have  
than the measures it  
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or in the encouragement  
which, without some  
be attempted.

The northern parts  
an ocean, in which the  
be carried on with profit  
those districts, ignorant  
unacquainted with the  
mercantile undertakings  
capital to enable them  
this natural advantage

real benefit. How soon might the scene be altered, were proper encouragement given to their exertions ! Nor would the general wealth of the country alone be augmented. The addition that might be made to the maritime strength of the kingdom, by adopting such a measure, would be inestimable<sup>†</sup>.

*Steps taken  
to diminish  
the National  
Debt, &c.*

England has been under the necessity of imposing upon itself, such a heavy load of taxes, that neither the products of its land, nor all the manufactures of its people, can stand a competition with those of other powers in foreign markets. The exportation therefore of grain, and of some other articles, has met with encouragement from the legislature ; and bounties have been given, “ which “ have operated, like the warmth which, in a human body, one member communicates to “ another, when it stands in need of it.” Were these bounties to be encreased from the surplus of the national revenue, how much might not agriculture be extended ; to what a height might not our commerce be raised ; and how soon might not Great Britain become the emporium of Europe !

<sup>†</sup> Some bounties have been given to husses and on herrings exported, but the expence has been great without any real benefit. The high price of salt, proper for the purpose of curing, and the difficulty of obtaining casks in a distant and indigent country, are the principal obstacles to the success of the fishery, and to remove which the legislature ought to be the more attentive, as it may be done at little expence.

‡ Postlethwayte's True System, vol. ii. p. 380.

But

*taken  
vanish  
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&c.*

But the question to which the reader's attention is more particularly called at present, is, if the sum that has been taken from the sinking fund, and applied to the discharge of our funded incumbrances, had been expended solely in making Great Britain one populous and cultivated field or garden; whether the nation could not have borne the whole debt, with less difficulty, than it now can support the debt as it has been reduced? Twenty-four millions laid out in promoting the improvement and cultivation of the soil, would have rendered every acre in the kingdom productive of some valuable article. The whole country would have exhibited one uninterrupted scene of labour and fertility. No more well-founded complaints would be heard, that the number of the people had decreased, that the poor wanted encouragement to industry, or the means of employment<sup>b</sup>.

what arguments another mode of applying the surplus revenue has been supported.

*Steps taken  
to diminish  
the National  
Debt, &c.*

There is no axiom in Euclid more self-evident than this, that if the debts of a nation are never diminished, and if no steps are taken to promote the increase of its wealth, it must soon be involved in the greatest misery and distress. If the surplus of its revenue therefore, cannot safely be expended, in the encouragement of its agriculture, its industry, and its commerce; “if the sovereign, in attempting to perform such a duty, is exposed to innumerable delusions; and if directing the industry of the people towards employments, the most suitable to the general interests of society, is a task for which no human wisdom or knowledge could ever be sufficient,” nothing then remains, but to strain every nerve, to lessen the public debts, by the annual application of a sum, not like the present sinking fund, sometimes to one purpose and sometimes to another, but *invariably* to the discharge of our incumbrances.

*2. Mode.  
Public accumulations.*

To prove how efficacious such a fund would be, let it only be considered, that if a million were inviolably appropriated, it would discharge, in the short space of sixty years, a capital of nearly three hundred and seventeen millions of 3 *per cents.*, at

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to the throne, he acquired two millions more by conquests, and the same number by an increase of population. The latter, altogether owing to the judicious measures he pursued, for improving his kingdom, by *public encouragement*.

and or an hundred a  
plan were persevered  
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The first objection  
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loan<sup>1</sup>. If that rule is o

be deprived of so important a resource, whilst the certain effects of an unalienable sinking fund will not be diminished. In the space of sixty years, it will be possessed of a capital of three hundred and seventeen millions of 3 *per cents.*, and it must be indifferent to the public, whether that capital consists of old debts, or of more recent burdens.

*Steps taken  
to diminish  
the National  
Debt, &c.*

By such a plan also, a very plausible objection is removed, that it would be impossible to protect such a fund from the rapacious violence of ministers. For, let it be made use of, when the public service requires it; but at the same time, let not its beneficial effects be put an end to, by annihilating the sum that is taken from it. Render that sum productive; let it not enjoy a certain annual interest, and the process cannot be defeated.

The second objection rests, upon the many evils with which a load of taxes is accompanied; and which an unalienable sinking fund has in some degree a tendency to accumulate. It has been urged, "that taxes are taken, not out of a *dead, barren,*" " *unproductive* fund, but out of the most *prolific*" "of all funds; out of the national stock of industry,

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months after the author had publicly recommended it in the first edition of this work, and which Mr. Pitt praised as one of the best measures that had ever been proposed in parliament. See Parl. Register, vol. xx. p. 201. It was afterwards given up, under the pretence, that by weekly purchases, the price of the stocks was kept up: yet to diminish the amount of a loan to the amount of 6, or 7 millions, the income tax, with all its train of mischievous consequences, was imposed.

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must have been convinced, that the management of their affairs, was in the hands of men, who had nothing but their interest at heart, and who had devoted their time and labours for the benefit and salvation of their country. In such a case, it will hardly be disputed, that no backwardness would have been found in the British nation, in submitting to any tax that would have been necessary for that purpose.

*Steps taken  
to diminish  
the National  
Debt, &c.*

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Besides, taxes do not alone affect the industrious part of the community. When wisely imposed, they in general fall upon the idle consumer, who seldom thinks of making *compound interest* of the money he might save, if no such tax existed. I say *might save*: for if the tax did not exist, the money, instead of being saved, would probably be wasted in the purchase of luxurious foreign superfluities. A small additional duty upon porter, an additional land-tax of only sixpence in the pound, or, (according to Dr. Price,) a tax upon celibacy, imposed at the accession of the present Royal Family, would, before this time, have extinguished a considerable portion of our debts. What possible evil could have arisen from any of these taxes? Would less porter have been consumed; fewer of our fields been cultivated; or would the population of the country have been decreased? Every one must answer these questions in the negative.



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nalties, to accept of the lowest offer, or to divide the sum to be paid out proportionably among those whose terms were equal <sup>a</sup>.

*Steps taken  
to diminish  
the National  
Debt, &c.*

Under these regulations, unalienable sinking funds may be safely and usefully established.

Whoever has attentively considered the subject treated of in this, and the preceding Chapter, will probably be of opinion, that our present distresses are in a great measure owing, to our want of experience in regard to the funding system. Neither our ministers, nor the public, had the example of any state, in ancient or modern times, to guide them through so intricate a labyrinth. The object, therefore, they kept in view, was merely to relieve the pressure of the present moment, trusting that posterity would find out, what remedy should be applied, to prevent a ruinous accumulation of the burden. But had we now the same course to run, our statesmen, instructed by past events, would

*Conclusion  
of this  
Chapter.*

<sup>a</sup> By Mr. Pitt's plan, the buying of the stock is intrusted to a broker, who purchases at the market, the whole stock to be bought at the time. This furnishes an opportunity for speculation and fraud; and any set of opulent men, combining together, might profit considerably by purchasing all the loose stock in the market, the day before the public broker *must* buy, and selling the same stock to him, the next day, on their own terms. Whereas, by the measure above suggested, the public could not possibly be injured by such schemes; for no set of men would attempt to forestall the market, if they neither knew the quantity of stock offered to be sold, nor the terms at which it might be purchased.

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